

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
APPLICATION FOR THE
APPROVAL OF THE POWER
SUPPLY AGREEMENT (LOT 1)
BETWEEN THERMA LUZON,
INC. (TLI) AND EASTERN
SAMAR ELECTRIC
COOPERATIVE, INC.
(ESAMELCO), WITH PRAYER
FOR PROVISIONAL AUTHORITY
OR INTERIM RELIEF AND
MOTION FOR CONFIDENTIAL
TREATMENT OF INFORMATION**

ERC Case No. 2024-____ RC

**THERMA LUZON, INC. (TLI) AND
EASTERN SAMAR ELECTRIC
COOPERATIVE, INC.
(ESAMELCO),**

Applicants.

X- -----X

**JOINT APPLICATION
(with PRAYER FOR PROVISIONAL AUTHORITY OR
INTERIM RELIEF and MOTION FOR CONFIDENTIAL
TREATMENT OF INFORMATION)**

Applicants **THERMA LUZON, INC. (TLI)** and **EASTERN
SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO)**, through
their respective undersigned counsels, respectfully state:

PARTIES

1. Applicant ESAMELCO is an electric cooperative duly organized and existing under and by virtue of Presidential Decree No. 269 (P.D. 269), as amended, and other laws of the Republic of the Philippines, with principal address at Brgy. Cabong, Borongan City, Eastern Samar, herein represented by its Board President, Dir. Reynaldo S. Gerna, and General Manager, Atty. Jose Michael Edwin S. Amancio CPA MBM, evidenced by Board Resolution No. 75 Series of 2024¹. ESAMELCO has been granted a franchise to operate an electric light and power service in the municipalities of Arteche, Balangiga, Balangkayan, Can-avid, Dolores, Gen. McArthur, Giporlos, Guiuan, Hernani, Jipapad, Lawa-an, Llorente, Maslog, Maydolong, Mercedes, Oras, San Policarpo, Quinapondan, Salcedo, San Julian, Sulat and Taft, and in the City of Borongan, all in the Province of Eastern Samar (the “Franchise”Area”).

2. Applicant TLI is a private corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City. TLI is the Independent Power Producer Administrator (IPPA) for the 700 MW capacity from the Pagbilao Coal Fired Thermal Power Plant (Power Plant) pursuant to and in accordance with its IPPA Agreement with the Power Sector Assets and Liabilities Management Corporation (PSALM) with the conformity of the National Power Corporation (NPC). As such, TLI has the right to trade, sell, or deal with the 700 MW capacity of the said Power Plant.

3. Applicants may be served with notices, orders, and other processes of this Honorable Commission through their respective counsel at the addresses indicated below.

STATEMENT OF FACTS

4. Section 23 of the Electric Power Industry Reform Act of 2001 (EPIRA) mandates that a distribution utility has the obligation to supply electricity in the least cost manner to its captive market, subject to collection of retail rate duly approved by this Honorable Commission. In relation to this, Section 45 (b) of the EPIRA expressly allows distribution utilities to enter into bilateral power supply contracts subject to the review of this Honorable Commission. The same are consistent with the State’s policy to ensure the quality, reliability, security, and affordability of the supply of electric power.

¹ A copy of which is hereto attached as **Annex “JJJ”**

Brief Description of the CSP Conducted

5. Through a Memorandum of Agreement (MOA), ten (10) Electric Cooperatives (EC) of Region 8 agreed to conduct a joint procurement for their baseload requirement for the period of 2024 to 2033. The joint procurement was referred to as the Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP). ESAMELCO is a member EC under R8 JCPSP.

5.1. Under the MOA, the Federation of Rural Electric Cooperatives in Region 8 Association, Inc. (FRECOR 8) was tasked to supervise and facilitate the transaction process, documentary requirements, and operational coordination among the member ECs of the R8 JCPSP.

5.2. A Joint Board of Directors (JBOD) was also created composed of General Managers and Board Presidents of the member ECs, which acts as the governing and policy-making body of the R8 JCPSP.

5.3. The JBOD passed Board Resolution No. 2023-11-002, Series of 2023 constituting the R8 Joint Bids and Awards Committee (JBAC) for the R8 JCPSP. A Joint Technical Working Group (JTWG) and a Joint Secretariat was also created.

6. The R8 JCPSP was for the procurement of an aggregate power supply of 190 MW, divided into two (2) lots: Lot 1 for 162 MW, which commences in 2024, and Lot 2 for 28 MW, which commences in 2027. The R8 JCPSP followed the policy and rules prescribed under Department of Energy (DOE) Department Circular No. DC2023-06-0021,² and Energy Regulatory Commission (ERC) Resolution No. 16, Series of 2023.³

7. On 15 December 2023, R8 JCPSP Bidding Documents were submitted to NEA. NEA then issued a Certificate of Conformity No. NEA-RAO-COC-2024-02 dated 22 March 2024 when it found the R8 JCPSP's Bidding Documents to be consistent with the latest posted 2023-2032 Power Supply Procurement Plan of the member ECs of the R8 JCPSP. NEA likewise allowed the member ECs of the R8 JCPSP to proceed with the CSP.

² Prescribing the Policy for the Mandatory Conduct of the Competitive Selection Process by the Distribution Utilities for the Procurement of Power Supply for their Captive Market.

³ Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements Entered Into By Distribution Utilities for the Supply of Electricity to their Captive Market ("2023 CSP Guidelines").

8. Thereafter on 6 and 13 April 2024, the Invitation to Bid and Terms of Reference were published in the Manila Bulletin newspaper.

9. There was likewise a local publication under the Leyte Samar Daily Express and the EV Mail. Invitations to power suppliers were also sent through electronic mail and postings were made in the DOE CSP Portal and respective EC websites.

10. On 12 April 2024, Invitations to CSP Observers were sent to attend the Pre-Bid Conference, including NEA, DOE, ERC, consumer representatives, community representatives, interested civil society organizations and consumers, and regional development council for Eastern Visayas.

11. On 23 April 2024, the JBAC conducted its Pre-bid Conference 1. During the Pre-bid Conference 1, the comments and questions submitted by the bidders were reviewed and discussed.

12. On 18 May 2024, Supplemental Bid Bulletin Nos. 03 to 05 were issued and were posted on the DOE CSP Portal. They referred to amendments to the Terms of Reference, amendments to instruction to bidders, and amendments to the draft power supply agreement based on the comments and clarifications from the bidders of Pre-Bid Conference 1.

13. On 22 May 2024, the JBAC conducted the Pre-Bid Conference 2 to provide another opportunity for the bidders to seek clarification on the Bidding Documents and revisions made therein. CSP Observers were invited again.

14. On 08 June 2024, the JBAC issued the Final Instructions to Bidders, Final Terms of Reference, Supplemental Bid Bulletin Nos. 06 and 07 and other documents as requested by bidders in preparation for the submission and opening of bids. Invitations to CSP Observers were sent to attend the submission and opening of bids on 25 to 26 June 2024.

15. On 25 June 2024, bidders submitted their respective bids for Lot 1 and Lot 2. The bids were opened on 25 June 2024 for Lot 1, and on 26 June 2024 for Lot 2 in the presence of JBAC, participating bidders, CSP Observers and an Independent Auditor.

16. On 1 to 3 July 2024, the JBAC conducted a post-qualification evaluation of the lowest calculated bids for Lot 1 and Lot 2.

17. On 3 July 2024, the JBAC issued Resolution No. 02, Series of 2024, recommending to the JBOD to award the power supply agreements to the following bidders for Lot 1 for the period of supply of 2024-2033:

Bidder	Capacity (Lot 1)
Therma Luzon Inc.	81 MW
Sual Power, Inc.	50 MW
KEPCO SPC Power Corp	31 MW

18. Further, the JBAC issued Resolution No. 03, Series of 2024, recommending to the JBOD to award the capacity of 28 MW for Lot 2 for the period of supply of 2027-2033 to TLI as the bidder having the lowest calculated responsive bid.

19. Consequently, on 3 July 2024, JBOD approved JBAC’s Recommendation to award the Power Supply Agreements to the bidders with the lowest calculated responsive bids for Lot 1 and Lot 2 through JBOD Resolution No. 2024-07-001 and 2024-007-002, respectively.

20. After its receipt of NEA’s Notice to Issue Award dated 13 August 2024 last 14 August 2024, on 19 August 2024, the JBAC issued a Notice of Award to TLI for the 81 MW baseload demand under Lot 1 of the R8 JCPSP, which was acknowledged by TLI on 20 August 2024.

21. On 29 August 2024, FRECOR 8 timely submitted to NEA the finalized draft PSA together with the Board Resolution and the justifications to the changes made in the PSA, for the issuance of the Notice to Execute Agreement. However, it was only on 13 September 2024 when FRECOR 8 received NEA’s Notice to Execute Agreement dated 12 September 2024.

22. Thus, on 13 September 2024, ESAMELCO and TLI executed the Power Supply Agreement (PSA), commencing on the later of the two dates: (i) September 26, 2024 or (ii) immediately after the issuance by the ERC of a Provisional Authority, or Interim Relief, or Final Authority, until 25 December 2033 with a contract capacity of 7 MW.

23. Hence, this instant *Joint Application* for the approval of the PSA between ESAMELCO and TLI.

SALIENT TERMS OF THE PSA

24. The PSA between ESAMELCO and TLI, a copy of which is attached as **ANNEX “A”**, contains the following salient features:

- 24.1. **Contract Term.** This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect until December 25, 2033, unless sooner terminated in accordance with this Agreement and upon approval by the ERC.
- 24.2. **Delivery Date.** TLI shall commence delivery of Contract Capacity to ESAMELCO on the later of the two dates: (i) September 26, 2024 or (ii) immediately after the issuance by the ERC of a Provisional Authority or Interim Relief, or Final Authority, or such other date as may be directed by the ERC under the relevant order, as applicable.
- 24.3. **Contract Capacity.** The capacity, expressed in kW allocated to ESAMELCO during the Billing Period. For the avoidance of doubt, this refers to the estimated capacity of electricity to be made available for Delivery to each ESAMELCO Facility.

CONTRACT CAPACITY AND/OR CONTRACT ENERGY

Billing Month	Hours	Contract Capacity (kW)	Maximum Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	744	7,000	5,208,000	3,385,200
February	744	7,000	5,208,000	3,385,200
March	672	7,000	4,704,000	3,057,600
	696*	7,000	4,872,000	3,166,800
April	744	7,000	5,208,000	3,385,200
May	720	7,000	5,040,000	3,276,000
June	744	7,000	5,208,000	3,385,200
July	720	7,000	5,040,000	3,276,000
August	744	7,000	5,208,000	3,385,200
September	744	7,000	5,208,000	3,385,200
October	720	7,000	5,040,000	3,276,000
November	744	7,000	5,208,000	3,385,200
December	720	7,000	5,040,000	3,276,000

**Number of hours for March billing period during leap year.*

ESAMELCO shall be allowed to nominate at least 50% of the Contract Capacity per interval divided by twelve (12) on all 5-minute Trading Intervals, but at the end of the relevant billing period, ESAMELCO shall be obligated to

pay for the Product at 65% monthly minimum Capacity Utilization Factor (CUF) or actual energy purchased, whichever is higher. ESAMELCO will be billed based on Monthly CUF if, at the end of the billing period and after reconciliation, the nomination falls below the Monthly CUF for reasons other than FM.

24.4. Capacity Utilization Factor. The ratio of the amount of energy taken by ESAMELCO from TLI during any Billing Period to the actual capacity made available by TLI.

ESAMELCO shall purchase the Contracted Capacity and pay for the Contracted Capacity from sixty-five (65%) to one hundred percent (100%) Capacity Utilization Factor (CUF), computed per Billing Period, in accordance with Schedule 3.

CAPACITY FEES

CAPACITY FEE C.U.F.	LOCAL (PHP/kWh)	
	Capital Recovery	Fixed O&M
100%	1.4304	0.2135
99%	1.4449	0.2157
98%	1.4596	0.2179
97%	1.4747	0.2202
96%	1.4900	0.2224
95%	1.5057	0.2248
94%	1.5218	0.2272
93%	1.5381	0.2296
92%	1.5548	0.2321
91%	1.5719	0.2347
90%	1.5894	0.2373
89%	1.6072	0.2399
88%	1.6255	0.2427
87%	1.6442	0.2455
86%	1.6633	0.2483
85%	1.6829	0.2512
84%	1.7029	0.2542
83%	1.7234	0.2573
82%	1.7444	0.2604
81%	1.7660	0.2636
80%	1.7880	0.2669
79%	1.8107	0.2703
78%	1.8339	0.2738
77%	1.8577	0.2773
76%	1.8822	0.2810
75%	1.9072	0.2847
74%	1.9330	0.2886
73%	1.9595	0.2925
72%	1.9867	0.2966
71%	2.0147	0.3008
70%	2.0435	0.3050
69%	2.0731	0.3095
68%	2.1036	0.3140
67%	2.1350	0.3187
66%	2.1673	0.3235
65%	2.2007	0.3285

24.5. Scheduled Outage. A planned partial or complete interruption of the Power Plant generating capability that (a) is not an Unscheduled Outage; (b) has been scheduled and allowed by ESAMELCO in accordance with Section 4.6; and (c) is for inspection, testing, preventive maintenance, corrective maintenance or improvement.

TLI is allowed Scheduled Outages not to exceed Six-Hundred Sixty-Nine (669) Equivalent Hours within the Contract Year during which times reduced or no deliveries will be available to ESAMELCO. For clarity, Scheduled Outages for a particular Contract Year that does not cover a full period of twelve (12) months shall be reduced proportionately.

24.6. Unscheduled Outage. An interruption or reduction of a Unit's or the Power Plant's generating capability that is not a Scheduled Outage.

TLI is allowed unscheduled outages not to exceed Two-Hundred Forty-Three (243) equivalent hours for each Contract Year during which times reduced or no deliveries will be available to ESAMELCO, subject to ERC and regulations on Reliability Performance Indices. For clarity, Unscheduled Outages for a particular Contract Year that does not cover a full period of twelve (12) months shall be reduced proportionately.

24.7. Replacement Power. The energy from an alternative source responsible to be delivered by TLI to ESAMELCO at a price not exceeding than the price set in the Agreement.

Within the Allowed Outage. TLI and ESAMELCO shall cooperate to arrange for replacement energy from, including, but not limited to, any other facilities of TLI, third parties and the WESM. TLI, at its own cost and in consultation with ESAMELCO, shall negotiate on behalf of ESAMELCO for the supply and delivery of capacity and energy from third parties for a price as close as possible to the contract price. ESAMELCO, however, has the right to accept or reject the replacement energy offered by TLI by confirming or rejecting the terms of the negotiated replacement energy by TLI before proceeding to deliver the negotiated replacement energy. If ESAMELCO disagrees with the terms of any replacement

energy being negotiated by TLI, ESAMELCO shall source replacement energy at its own expense.

Beyond the Allowed Outage. The procurement of any Replacement Power for outages beyond the Allowed Outage, and for any delay in the commencement of delivery shall be the responsibility of TLI. The rates to be billed for the procurement of Replacement Power shall be the generation rate equivalent to the provisional or final approved generation rate, or the actual rate of the Replacement Power, whichever is lower.

24.8. Payment of Fees. On or before the 7th day of the following month from the close of every Billing Period, TLI shall deliver to ESAMELCO the Billing Statement showing the Electricity Fee due for such Billing Period.

A Billing Statement shall be regarded as delivered to and received by ESAMELCO upon sending of an electronic copy thereof to ESAMELCO via registered email address at the date and time indicated in which transmission was made. However, TLI shall also provide the original copy of the bill to ESAMELCO on a monthly basis.

Without necessity of demand, ESAMELCO shall pay TLI the Electricity Fee as stated in such a billing statement, not later than the twenty-fifth (25th) of the calendar month following the close of a Billing Period ("Due Date"). If the Due Date falls on a non-working day, payment shall be due on the next working day. Should TLI deliver the bill beyond the allowable period, the Due Date shall also be extended equivalent to the number of days of the delay. Moreover, TLI shall issue the corresponding Official Receipt upon the receipt of the payment. ESAMELCO shall pay the Amount Due to an account designated by TLI either by electronic fund transfer or by other mutually agreed alternative method.

24.9. Interest for Late Payment. If any amount payable by ESAMELCO is not paid on Due Date:

- a. The amount unpaid shall bear a daily interest, at a rate of twelve percent (12%) per annum, computed on a 360-day basis, until payment by ESAMELCO;
- b. If any invoice from TLI is overdue for more than six (6) months, ESAMELCO shall pay an additional penalty of one percent (1%) per month for every additional month of delay beyond six (6) months;

- c. TLI has the right to immediately suspend the delivery of electricity and declare Basic Energy Charges for electricity supplied but not invoiced immediately due and payable, whereupon ESAMELCO shall pay such Basic Energy Charges immediately upon delivery by TLI of the corresponding invoice to ESAMELCO; and
- d. For clarity, any payment made by ESAMELCO under this Agreement shall be applied first against any interest or penalties imposed under this Agreement, and owing to TLI, before it is applied against the principal amount on which the interest or penalty was derived from.

24.10. **Electricity Fees.** Refers to the total amount of charges due from ESAMELCO in respect of the Contract Capacity and all Energy supplied by TLI during a Billing Period, computed in accordance with Schedule 5 (Rate Schedule).

RATE SCHEDULE

Tariff Structure

Electricity Fees = A + B + C + D + E

All computations on payments to TLI shall not be rounded off, except for the final PHP amount, which shall be rounded off to the nearest Philippine centavo.

Where:

A = CRF x TED

$$CRF = \frac{(CRF_2 - CRF_1) \times (CUF - CUF_1)}{(CUF_2 - CUF_1)} + CRF_1$$

$$CUF = \left(\frac{TED}{CC \times [(int \times n) - FM Int - AO int]} \right) \times 100$$

= Capacity Utilization Factor (CUF), expressed in percentage, between 65% to 100%, provided that if actual CUF is below 65% (the “Minimum Capacity Utilization Factor”), the CRF and FOM Price shall be calculated based on the quantity associated with the Minimum Capacity Utilization Factor.

CC = the contracted capacity of 7,000 kW

Int = the number of Trading Intervals per day

n = the number of days for the current Billing Period

FM Int = the number of Trading Intervals affected by Force Majeure

AO Int = the number of Trading Intervals within the Allowable Downtime of Supplier

CUF₂ = CUF rounded up to the nearest whole

CUF₁ = CUF rounded down to the nearest whole

CUF₂ number = the corresponding CRF for CUF₂ is set forth under Schedule 3 - Capacity Fees

CRF₁ = the corresponding CRF for CUF₁ is set forth under Schedule 3 - Capacity Fees.

TED = the total energy delivered (in kWh) within CC per Trading Interval and within the Maximum Contract Energy per Billing Period during the current Billing Period.

B = FOM x TED

$$\text{FOM} = \text{Base FOM} \times \frac{\text{RPCPI}_m}{\text{RPCPI}_o}$$

$$\text{Base FOM} = \frac{(\text{FOM}_2 - \text{FOM}_1) \times (\text{CUF} - \text{CUF}_1)}{(\text{CUF}_2 - \text{CUF}_1)} + \text{FOM}_1$$

CUF = as previously defined

CUF₂ = as previously defined

CUF₁ = as previously defined

FOM₂ = the corresponding FOM for CUF₂ is set forth under Schedule 3 - Capacity Fees

FOM₁ = the corresponding FOM for CUF₁ is set forth under Schedule 3 - Capacity Fees

RPCPI_m = the Philippine Consumer Price Index for All Income Households in the Philippines – All Items (2018=100) published as the current billing month.

RPCPI_o = the Philippine Consumer Price Index for All Income Households in the Philippines – All Items (2018=100) of 125.30.

CUF = as previously defined

TED = as previously defined

C = VOM x TED

$$\text{VOM} = \text{Base VOM} \times \frac{\text{RPCPI}_m}{\text{RPCPI}_o}$$

Base VOM = 0.1995 Php/kWh

RPCPI_m = as previously defined

RPCPI_o = as previously defined

TED = as previously defined

Notes:

a. If the CPI of the current billing month is not published and available, within the two days from the end of the Billing Period, the most recent available published index shall be used.

b. If the source of any of the foregoing indices is no longer available or has not been published or available for a prolonged period, the replacement index shall be mutually agreed by the parties.

c. If any of the foregoing indices are re-based during the duration of this Agreement, the Supplier has the option to apply a corresponding adjustment to the inflation formula to conform with the re-basis of the subject indices.

D = Fuel x TED

Fuel = actual fuel cost of the Power Plant for the Billing Period in Php/kWh

TED = as previously defined

If one unit of the Power Plant is on Scheduled or Unscheduled Outage, Fuel shall be computed using the actual fuel cost of the available unit. In the event that both units of the Power Plant are on Scheduled and/or Unscheduled Outages, the fuel cost for the affected interval shall be based on the last month's fuel cost.

E = all existing and future taxes, fees and imposts (including increases, or adjustments thereon and increases, or adjustments on existing taxes, fees and imposts), such as but not limited to real property taxes, excise taxes, and other future charges imposed on the Power Plant for the generation of electricity, in Philippine Pesos

25. ESAMELCO simulated a rate impact analysis based on assumed quantities. The indicative rate impact on its overall generation rate with and without supply from TLI under the PSA are as follows:

ESAMELCO’s Generation Rate (Php/kWh)		
Without TLI PSA	With TLI PSA	Rate Impact
6.4883	5.7501	(0.7382)

- *Assumptions/Notes:
- Analysis and simulations is based on ESAMELCO forecasted 2025 hourly load profile
 - TLI rate is based on their offered Base price for the CSP
 - KSPC Short Term rate is based on their offered Base Price.
 - WESM price is the average monthly price based on the actual from January - December 2023.

26. As shown in the rate impact analysis, the implementation of the PSA between TLI and ESAMELCO will benefit ESAMELCO and its consumers with an estimated generation rate reduction of **Php 0.7382/kWh**. Thus, the PSA subject of this *Joint Application* will ultimately provide ESAMELCO’s end-users with a continuous and reliable supply of electricity at affordable rates.

27. The Applicants submit the following documents for the evaluation of the *Joint Application*:

Description of Document	Annex
Power Supply Agreement (PSA) between ESAMELCO and TLI dated 13 September 2024.	“A”
R8 JCPSP’s Notice to Proceed	“A-1”
ESAMELCO’s Articles of Incorporation, Amended By-Laws, Certificate of Registration, and Certificate of Franchise	“B” and series
ESAMELCO’s Verified Certification showing the list of Board of Directors and Board Members	“C”
R8 JCPSP CSP Report (re: Brief Description of the CSP Conducted)	“D”

R8 JCPSP's JBAC Affidavit (re: Conduct of CSP)	"D-1"
R8 JCPSP JBOD Board Resolution No. 2023-11-002, Series of 2023 (re: Creation of JBAC)	"E"
R8 JCPSP List of Observers with their sworn undertakings	"F" and series
R8 JCPSP Invitation to Bid	"G"
Certificate of Conformity (NEA-RAO-COC-2024-02) issued by NEA on 22 March 2024	"H"
R8 JCPSP's Proof of Publication of Invitation to Bid	"I" and series
R8 JCPSP's Proof of Posting of Invitation to Bid, Supplemental Bid Bulletins, Abstract of Bids, and Notice of Award	"J" and series
R8 JCPSP's Instruction to Bidders	"K" and series
R8 JCPSP's Terms of Reference	"L" and series
R8 JCPSP's Minutes of the two Pre-bid Conference (23 April 2024 and 22 May 2024)	"M" and series
R8 JCPSP's Supplemental Bid Bulletins	"N" and series
TLI's Eligibility Requirements to the R8 JCPSP	"O" and series
TLI's Documents of Bid Submission to the R8 JCPSP	"P" and series
R8 JCPSP's Documents Relating to the Evaluation of Bids	"Q" and series
R8 JCPSP's JBAC Resolution No. 2, series of 2024, Recommending the Winners for Lot 1	"R"
R8 JCPSP's Abstract of Bids	"S"
R8 JCPSP's Bid Evaluation Report	"T"
R8 JCPSP's Bid Evaluation Slips	"U" and series

R8 JCPSP's Post-Qualification Evaluation Report	“V”
R8 JCPSP's Declaration of Bidders with Lowest Calculated Responsive Bid (LCRB)	“W”
NEA's Notice to Issue Award dated 13 August 2024	“X”
R8 JCPSP's Notice of Award to TLI dated 19 August 2024	“Y”
NEA Notice to Execute Agreement dated 12 September 2024	“Z” and series
ESAMELCO's Demand Side Management Program	“AA”
ESAMELCO's Write-up on Non-Applicability of Certain Document/s: <ul style="list-style-type: none"> Transition Supply Contract with the National Power Corporation 	“BB”
ESAMELCO's Supply and Demand Scenario and Average Daily Load Curve	“CC and series”
ESAMELCO's Single-line Diagram Connection	“DD”
ESAMELCO's Performance Assessment of the System	“EE”
ESAMELCO's Estimated Potential Reduction in Load Supplied by the DU due to retail competition, GEOP, etc.	“FF”
ESAMELCO's Distribution Development Plan and Power Supply Procurement Plan	“GG and Series”
Rate Impact Simulation	“HH”
Judicial Affidavit of Ms. Ayesa Grace D. Abing to support the prayer for Provisional Authority or Interim Relief and Affidavit of Merit	“II” and series
TLI's Certificate of Incorporation, Amended Articles of Incorporation and By-Laws	“JJ” and series
TLI's Verified Certification showing the list of Board of Directors and Board Members of the Ultimate Parent Company dated 9 August 2024	“KK”
TLI's Latest General Information Sheet (“GIS”)	“LL”

TLI's Board of Investments ("BOI") Certificate of Registration No. 2010-052	"MM"
Environmental Compliance Certificate ("ECC") Ref. No. ECC-CO-1311-0037 for the Pagbilao 1 & 2 Coal Power Station	"NN"
Provisional Authority to Operate ("PAO") No. 24-06-28-M-PAO-E-0135L for the Pagbilao Coal Fired Thermal Power Plant	"OO"
TLI's Legal Opinion on DOE PDP and/or COE dated 24 February 2022	"PP"
TLI's Single-line Diagram Connection	"QQ"
TLI's Write-up on Inconsistency in Capacity	"RR"
TLI's Transmission Service Agreement, Connection Agreement, and Metering Service Agreement with National Grid Corporation of the Philippines ("NGCP")	"SS" and series
Executive Summary of the ESAMELCO-TLI PSA	"TT"
TLI's Sources of Funds (Confidential)*	"UU*"
TLI's Generation Rate and Derivation (Confidential)*	"VV*"
TLI's Cash Flow (Confidential)*	"WW*"
TLI's Financial Model (Confidential)*	"XX*"
TLI's Sample Bill	"YY"
TLI's Write-up on Relevant Technical and Economic Characteristics of the Generation Capacity	"ZZ"
TLI's Latest Audited Financial Statements	"AAA"
TLI's Certification of Non-Applicability and Write-Up on the Non-Applicability of the following: <ul style="list-style-type: none"> • Shareholders' Agreement; • Renewable Energy Service Contract/ Operating Contract from the DOE • Certificate of Registration or Certification of Confirmation of Commerciality by an RE Developer and after due confirmation by the DOE 	"BBB" and "BBB-1"

<ul style="list-style-type: none"> • Water Permit from the National Water Resources Board • Copy of Related Agreements (such as Transmission Wheeling Contract, EPC Contract, O&M Contract, Wholesale Aggregator Agreement, Project Feasibility Study); • Certification from the Bank/Lending Institution for Loans • Equivalent Php/kWh with assumptions for foreign-denominated rates • Potential cost (absolute amounts and Php/kWh) of Ancillary Services as when the IPP or the DU is connected to the main grid • If different from previously filed PSA, updated costs • Distribution Wheeling Service Agreement (for embedded generators), if applicable 	
TLI's Certification of the Net Heat Rate kCal per kWh (Confidential)*	“CCC*”
TLI's Coal Supply Agreement (Confidential) *	“DDD*”
TLI's Coal Procurement Plan (Confidential) *	“DDD-1*”
Sworn Statement Re: TLI's Explanation on Coal Procurement Process (Confidential) *	“EEE*”
TLI's IPPA Agreement with PSALM (Confidential) *	“FFF*”
TLI's Additional Supporting Documents for Generation Rate and Derivation (Confidential) *	“GGG*”
TLI's WESM Registration Approval Form	“HHH”
ESAMELCO's WESM Certification	“III”

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

PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF

28. Under Rule 14 of the Honorable Commission’s 2021 Revised Rules of Practice and Procedure (2021 RRPP)⁴, the

⁴ ERC Resolution No. 1, Series of 2021

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.

29. As shown in the ESAMELCO’s Supply and Demand Scenario, the peak demand ranges from 23.50 to 32.88 MW and our existing contract capacity is 15 MW which is an Emergency Power Supply Agreement (EPSA) with FDC Misamis Corporation (FDCMPC) and Taft Hydro Energy Corporation (THEC) which will expire on 25 September 2024. If no provisional authority or interim relief will be issued, the total demand of 15 MW will be exposed to the market having erratic power rates, to the prejudice of the consumers. Thus, the issuance of the provisional authority or interim relief is in the best interest of the electricity consumers, especially the captive customers, as it ensures continuous and reliable electricity service, with stable rate, which is essential for public welfare, economic stability and growth.

30. Furthermore, from ESAMELCO’s rate impact simulation, it is clear that the implementation of the PSA with TLI would reduce ESAMELCO’s rate by **Php 0.7382/kWh**, as compared to if the same power requirements are purchased from the Wholesale Electricity Spot Market (WESM).

31. As such, the early implementation of the PSA with TLI would benefit ESAMELCO and its end-users as it will ensure the provision of reliable, secure, and quality supply of electricity in the least cost manner.

32. To support the prayer for provisional authority or interim relief, the Affidavit of Merit of **Atty. Jose Michael Edwin S. Amancio** and Judicial Affidavit of **Ms. Ayesa Grace D. Abing** are attached hereto as **Annex “II and series”** of the *Joint Application*.

MOTION FOR CONFIDENTIAL TREATMENT OF ANNEXES “UU”, “VV”, “WW”, “XX” “CCC”, “DDD”, “DDD-1”, “EEE”, “FFF”, and “GGG”

33. Under the 2021 RRPP, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential.⁵ Pursuant to this, Applicants pray for the confidential treatment of the information contained in the following annexes:

Documents and/or Information	Annex
------------------------------	-------

⁵ Section 1, Rule 4, ERC Resolution No. 1, Series of 2021

TLI's Sources of Funds (Confidential)*	“UU*”
TLI's Generation Rate and Derivation (Confidential)*	“VV*”
TLI's Cash Flow (Confidential)*	“WW*”
TLI's Financial Model (Confidential)*	“XX*”
TLI's Certification of the Net Heat Rate kCal per kWh (Confidential)*	“CCC*”
TLI's Coal Supply Agreement (Confidential) *	“DDD*”
TLI's Coal Procurement Plan (Confidential) *	“DDD-1*”
Sworn Statement Re: TLI's Explanation on Coal Procurement Process (Confidential) *	“EEE*”
TLI's IPPA Agreement (Confidential) *	“FFF*”
TLI's Additional Supporting Documents for Generation Rate and Derivation (Confidential) *	“GGG*”

34. **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, and “GGG”** contain financial models, computation/calculation for rate determination and cost components. Hence, TLI has actual and valuable proprietary interest to protect such information and data, which fall within the bounds of “trade secrets” that are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

34.1. The foregoing annexes contain non-public, proprietary information and data involving Applicants' investments, business operations, and financial calculations. Applicants determine, among others, their competitive rates through its power rate calculations, and its financial model through these information. Thus, the methodology thereof is privileged and confidential in nature. Furthermore, these information and data are not generally available to the public. Applicants' competitiveness will seriously be prejudiced if these information are unduly disclosed.

35. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*,⁶ the Supreme Court defined “trade secrets” and explained that:

⁶ 564 Phil. 774 (2007), G.R. No. 172835.

“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.*)

35.1. Moreover, the Honorable Commission categorically acknowledged in its Decision in ERC Case No. 2015-111 RC⁷ 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 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.*)

35.2. 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 Honorable Commission’s 2021 RRPP.

⁷ 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).*”

36. Further, the treatment of the information contained in **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, and “GGG”** as confidential information is consistent with the Honorable Commission’s *Matrix of Confidential and Non-Confidential Document and Information (as of 13 November 2023)* (“Matrix”). In the *Matrix*, financial models, computation/calculation for rate determination and cost components should be treated with confidentiality because they have proprietary value that constitute trade secrets. Therefore, as described above, since the information in the subject documents fall in these categories, **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, and “GGG”** should be treated with confidentiality.

37. As regards **Annex “FFF”**, TLI submits that the IPPA Agreement with PSALM should likewise be treated as confidential. This IPPA Agreement with PSALM, a third person (i.e. PSALM) who is not a party to the instant Joint Application, includes confidentiality obligations of the parties. This is likewise consistent with the Honorable Commission’s Matrix, which provides that contracts and agreements with third parties not privy to the case are treated as confidential.

38. In view of the foregoing and pursuant to Rule 4 of the Honorable Commission’s 2021 RRPP, TLI respectfully requests that the attached **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, “FFF”, and “GGG”** and the information contained therein be treated as confidential and privileged, and not be disclosed to persons other than the necessary officers and staff of this Honorable Commission.

39. TLI hereby submits **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, “FFF”, and “GGG”** via: (i) password-protected electronic copies, and (ii) one (1) physical copy each of the respective confidential documents in a sealed envelope, with the envelope and each page of the documents stamped with the word “Confidential”.

PRAYER

WHEREFORE, premises considered, Applicants **THERMA LUZON INC. (TLI)** and **EASTERN SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO)** respectfully pray that the Honorable Commission:

1. **ISSUE** an Order treating **Annexes “UU”, “VV”, “WW”, “XX”, “CCC”, “DDD”, “DDD-1”, “EEE”, “FFF”, and “GGG”** 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;

- 2. Pending trial on the merits, **GRANT** provisional authority or interim relief allowing the implementation of the PSA between ESAMELCO and TLI, including all the rates, fees, charges, and tariff adjustment mechanisms set out therein at the rates provided in the PSA, and authorizing ESAMELCO to charge and collect such rates, fees, charges, and tariff adjustment therein from its customers reckoned from the start of the supply by TLI to ESAMELCO under the PSA subject of this *Joint Application*; and
- 3. After hearing on the merits, **ISSUE** a Decision **APPROVING** the *Joint Application* and PSA between ESAMELCO and TLI, including all the rates, fees, charges, and tariff adjustment mechanisms set out therein at the rates provided in the PSA, and authorizing ESAMELCO to charge and collect such rates, fees, charges, and tariff adjustments therein from its customers reckoned from the start of the supply by TLI to ESAMELCO under the PSA.

Other relief just and reasonable are likewise prayed for.

Tacloban City and Taguig City for Pasig City, 26 September 2024.

<Signature Pages Follow.>

THERMA LUZON, INC.

By:

PAUL B. SORIÑO

PTR No. A-6155028 / 09 January 2024 / Taguig City

IBP No. 404319/ 05 January 2024 / RSM

MCLE Compliance No. VII – 0012872 / 18 Mar 2022

Roll No. 55895

E-mail: paul.sorino@aboitiz.com

CELENI KRISTINE G. GUINTO

PTR No. A-6155014 / 09 January 2024 / Taguig City

IBP Lifetime No. 011964 / Quezon City

MCLE Compliance No. VII – 0012341 / 08 Mar 2022

Roll No. 62390

E-mail: celeni.guinto@aboitiz.com



ROSANNE JELI G. MAGTAGÑOB

PTR No. A-6155023 / 09 January 2024 / Taguig City

IBP Lifetime No. 014796 / Quezon City

MCLE Compliance No. VII – 0013937 / 30 Mar 2022

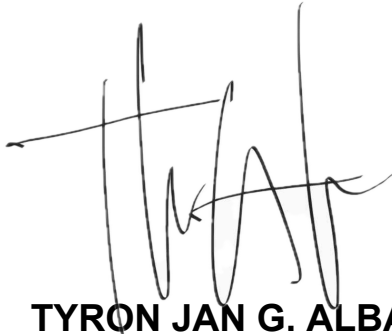
Roll No. 65475

E-mail: rosanne.magtagnob@aboitiz.com

16th Floor, NAC Tower,
32nd St., Bonifacio Global City, Taguig City
Telephone No. 8886- 2800 loc.11282
regulatory.legal@aboitiz.com

EASTERN SAMAR ELECTRIC COOPERATIVE, INC.

By:



TYRON JAN G. ALBAO

Unit 2, 2nd Flr. Tacloban Convention Center,
Real St., Tacloban City 6500

Contact No. 09176321822

Email Address: attyteejalbao@gmail.com

Roll of Attorneys No. 66859

PTR No. 8949295 / 01-31-2024; Tac. City

IBP No. 432943 / 01-29-2024; Leyte Chapter

MCLE Compliance No. VII-0002803

Valid until 14 April 2025



PETER JOVEN Y. DE OÑO

0977 R. Mendiola St., Brgy. Sta Cruz, Palo, Leyte 6501

Contact No. 09171358090

Email address: power8lawyers@gmail.com

Roll of Attorneys No. 72478

PTR No. 8481676 / 01-04-24; Tacloban City

IBP No. 398294 / 01-04-24; Leyte Chapter

MCLE Compliance No. VII-0001147

Valid until 14 April 2025

**VERIFICATION AND
CERTIFICATION OF NON-FORUM SHOPPING**

I, **ROWENA ROMERO**, of legal age, Filipino and with office address at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City after having been duly sworn in accordance with law, hereby depose and state that:

1. I am the authorized representative of **THERMA LUZON, INC. (TLI)**, Co-Applicant in the above-captioned case, per attached Secretary's Certificate;

2. I caused the preparation and filing of this *Joint Application (with Prayer for Provisional Authority or Interim Relief and Motion for Confidential Treatment of Information)* ("*Joint Application*") and have read the contents thereof, and, based on my own personal knowledge, belief and on authentic records of TLI, all the allegations contained therein on the part of TLI are true and correct. Furthermore, 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 have evidentiary support after a reasonable opportunity for discovery.

3. TLI has not commenced any other action or proceeding involving the same issue/s in 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

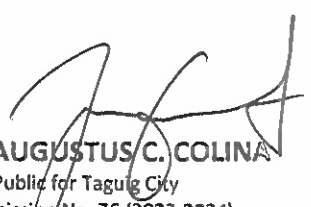
4. Should I hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency, I shall report said fact within five (5) days from discovery thereof to this Honorable Commission.

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 26 2024
at Taguig City.


ROWENA ROMERO
Affiant

SUBSCRIBED AND SWORN to before me this SEP 26 2024 in Taguig City City. Affiant exhibited to me her Passport No. P7070628A issued at DFA Manila valid until May 6, 2028.

Doc. No. 205 ;
Page No. 42 ;
Book No. 18 ;
Series of 2024


ATTY. CZAR AUGUSTUS C. COLINA
Notary Public for Taguig City
Notarial Commission No. 76 (2023-2024)
Until 31 December 2024
NAC Tower, 32nd Street, Bonifacio Global City, Taguig City
Roll No. 70362, Admitted to the Bar 02 June 2017
PTR No. A-6155015, 09 January 2024, Taguig City
IBP No. 414728, 10 January 2024, Makati City
MCLE Compliance No. VII-0011495

**VERIFICATION AND
CERTIFICATION OF NON-FORUM SHOPPING**

We, Dir. Reynaldo S. Gerna and Atty. Jose Michael Edwin S. Amancio CPA MBM, both of legal age, Filipino, and with office address at Brgy. Cabong, Borongan City, Eastern Samar after having been duly sworn in accordance with law, hereby depose and state that:

1. We are currently the Board President and General Manager, respectively of **EASTERN SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO)**, Co-Applicant in the above-captioned case, per attached Board Resolution;
2. We have caused the preparation and filing of this *Joint Application (with Prayer for Provisional Authority or Interim Relief and Motion for Confidential Treatment of Information)* ("*Joint Application*") and have read the contents thereof, and, based on our own personal knowledge, belief and on authentic records of **ESAMELCO**, all the allegations contained therein on the part of **ESAMELCO** are true and correct. Furthermore, 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 have evidentiary support after a reasonable opportunity for discovery.
3. **ESAMELCO** has not commenced any other action or proceeding involving the same issue/s in 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
4. Should we 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, we shall report said fact within five (5) days from discovery thereof to this Honorable Commission.


IN WITNESS WHEREOF, we have hereunto set our hands this SEP 26 2024 at Borongan City, E. Samar


REYNALDO S. GERNA
Affiant


ATTY. JOSE MICHAEL EDWIN S. AMANCIO, CPA
Affiant

SUBSCRIBED AND SWORN to before me this SEP 26 2024 in Borongan City, E. Samar City. Affiants **REYNALDO S. GERNA** and **ATTY. JOSE MICHAEL EDWIN S. AMANCIO, CPA** exhibited to me his/their government issued ID PNP Retiree ID No. PRO87R7058783973 issued by PNP and Driver's License FOI-093-080209 with expiration date March 26, 2034 issued by LTO Borongan, respectively.

Doc. No. 362;
Page No. 74;
Book No. XIV;
Series of 2024


ATTY. RHODA MONTES CEBRICUS
Notary Public until December 31, 2025
Not. Commission No. 12-05-2023-RTC-BR-2
TIN 187-193-178
Roll No. 59979; 3/22/2012
PTR No. 3434277, 01/02/2024; Borongan City
IBP Lifetime Member ID No. 013482; E. Samar Chapter
MCLE Compliance No. VII-0003243 valid until 04/14/2026

THERMA LUZON, INC.

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

SECRETARY'S CERTIFICATE

I, **RANULFO J. JAVELOSA III**, Filipino, of legal age and with office address at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, after having duly sworn in accordance with law, hereby depose and state that:

1. I am the Corporate Secretary of **THERMA LUZON, INC.** (the "Company"), a company duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.
2. At the special board meeting of the Board of Directors held on **September 3, 2024**, at which meeting a quorum was present and acting throughout, the following resolutions were unanimously passed and approved:

"RESOLVED, that the Board of Directors of **THERMA LUZON, INC.** (the "Company") authorizes, as it hereby authorizes the Company to file an application before the Energy Regulatory Commission ("ERC") for the approval of the Power Supply Agreement Lot 1 between the Company and Eastern Samar Electric Cooperative, Inc. (ESAMELCO) (the "Application") with motion for confidential treatment of information and prayer for provisional authority and/or interim relief;

RESOLVED FURTHER, that the Company authorizes, as it hereby authorizes any one (1) of **ATTYS. PAUL B. SORIÑO, CELENI KRISTINE G. GUINTO, LEO ANGELO E. FORNESA, ROSANNE JELI G. MAGTAGÑOB, NIÑA DIANNE R. SANTIAGO**, and/or any other person appointed by any one (1) of them to, where applicable:

- a. File the Application and to represent the Company, and to appear, for or on its behalf, in all proceedings, including pre-trials, hearings, meetings and discussions before the ERC in respect of the Application, and to perform any and all acts and deeds and to submit and sign such documents and pleadings necessary to implement this authority;
- b. Act as agent, and appear on behalf, of the Company in the proceedings relating to the Application, with full power to make commitments and take positions, and to consider: (i) the possibility of an amicable settlement or a submission to arbitration, mediation or other modes of alternative dispute resolution; (ii) the simplification

of the issues; (iii) the necessity or desirability of amendments to the pleadings; (iv) the possibility of obtaining stipulations or admissions of facts and of documents totally or partially to avoid unnecessary proof; (v) the limitation of the number of witnesses or time allocated to particular witnesses and issues; (vi) the advisability of a preliminary reference of issues to a commissioner; (vii) the necessity or desirability of having an expository hearing or consumer forum; (viii) the procedures at the hearing and hearing schedule; (ix) the submission of written testimonies and exhibits to be offered and the marking thereof; (x) the agreements regarding service of documents; and (xi) such other matters that may aid in the prompt disposition of such proceedings;

- c. Negotiate, conclude, enter into and execute a compromise or amicable settlement of the Application, if appropriate, or to submit the Application to alternative modes of dispute resolution, under such terms and conditions as they may deem just and reasonable;
- d. File any appeal or represent the Company in further proceedings related to the Application; and
- e. Do and perform, for and on behalf of the Company, any act and deed relating to the Application which the Company could legally do and perform;

RESOLVED FURTHER, that in connection with the foregoing, the Company authorizes any one (1) of the following authorized representatives:

Name	Designation
Lawrence Cua	Attorney-in-Fact
Rowena Romero	Attorney-in-Fact

to execute, sign, and deliver the Verifications, Certification of Non-Forum Shopping and such other document which may be required in the filing and during the course of the Application; and/or appoint any other person to execute, sign, and deliver the foregoing documents for and on behalf of the Company;

RESOLVED FURTHER, that the Company authorizes any one (1) of the following:

Name	Designation
Andrie Fontanoza	Attorney-in-Fact
Louie Renz Sucaldito	Attorney-in-Fact
Jeremiah L. Padilla	Attorney-in-Fact

to represent the Company as a witness, and/or appoint any other person to act as witness for the Company as may be necessary, during the hearing of the Application;

RESOLVED FINALLY, that the Company affirms, confirms, and ratifies all that the foregoing representatives have done in accordance with the foregoing resolutions."

3. The above board resolution has not been revoked, amended, or modified, and is in full force and effect as of the date hereof.
4. The foregoing statement is in accordance with the records of the Company.

Signature page follows.

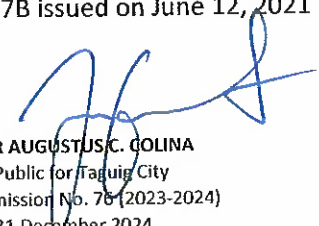
IN WITNESS WHEREOF, I have hereunto set my hand this September 19, 2024 in Taguig City, Philippines.


RANULFO J. JAVELOSA III
Corporate Secretary ^{LRM}

SUBSCRIBED AND SWORN to before me this September 19, 2024 at Taguig City, Philippines. Affiant, who is personally known to me, exhibited to me his Passport No. P6971867B issued on June 12, 2021 at DFA NCR East.

Doc No. 176 ;
Page No. 37 ;
Book No. IX ;
Series of 2024.




ATTY. CZAR AUGUSTUS C. COLINA
Notary Public for Taguig City
Notarial Commission No. 78 (2023-2024)
Until 31 December 2024
NAC Tower, 32nd Street, Bonifacio Global City, Taguig City
Roll No. 70362, Admitted to the Bar 02 June 2017
PTR No. A-6155015, 09 January 2024, Taguig City
IBP No. 414728, 10 January 2024, Makati City
MCLE Compliance No. VII-0011495



EASTERN SAMAR ELECTRIC COOPERATIVE, INC.
(E S A M E L C O)

Brgy. Cabong, Borongan City, Eastern Samar

EXCERPT FROM THE SPECIAL MEETING OF ESAMELCO BOARD OF DIRECTORS HELD ON AUGUST 31, 2024 IN MANILA

PRESENT: Dir. Reynaldo S. Gerna - President
Dir. Januario L. Badocdoc - Vice President
Dir. Marieta A. Capatoy - Secretary
Dir. Aniceto N. Quintua - Treasurer
Dir. Bless R. Quiton - Member
Dir. Nita O. Ramos - Member
Dir. Diogenes M. Inciso - Member
Dir. Oscar C. Cablao - Member
Atty. Jose Michael Edwin S. Amancio, CPA-Ex-Officio/Gen. Manager

RESOLUTION NO. 75
Series of 2024

A RESOLUTION AUTHORIZING THE BOARD PRESIDENT DIR. REYNALDO S. GERNA AND/OR GENERAL MANAGER ATTY. JOSE MICHAEL EDWIN S. AMANCIO, CPA, TO SIGN THE POWER SUPPLY AGREEMENT (PSA) BETWEEN EASTERN SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO) AND WITH THERMAL LUZON, INC. (TLI) FOR THE PURCHASE AND SALE OF 7 MW BASELOAD POWER REQUIREMENT OF THE COOPERATIVE, AND ALL OTHER DOCUMENTS RELATIVE TO THE FILING OF THE APPLICATION FOR APPROVAL OF THE SAME TO THE ERC

WHEREAS, the Region VIII Electric Cooperatives aggregated their demands in power supply and conducted a Joint Competitive Selection Process otherwise known as the Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) as per DOE Department Circular No. 2023-08-0021;

WHEREAS, Thermal Luzon, Inc. (TLI) is one of the winning bidders in the Region 8 Joint Competitive Power Supply Procurement (R8JCPSP) conducted on June 25, 2024 for the baseload power supply of Region VIII ECs including ESAMELCO;

WHEREAS, pursuant to the result of the CSP, TLI agrees to supply and sell to ESAMELCO, for its 7 MW Baseload requirement upon the terms and conditions set forth in the Power Supply Agreement (PSA)

WHEREAS, there is a need to authorize a representative who shall sign the PSA, file application with the Energy Regulatory Commission (ERC) represent the cooperative in all stages of the proceedings, sign the verification and certificate of non-forum shopping and enter into stipulation and admission of facts and documents;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that ESAMELCO Board of Directors hereby constitute and appoint the General Manager, Atty. Jose Michael Edwin S. Amancio, CPA and /or the Board President, Reynaldo S. Gerna as the Electric Cooperative's authorized representatives, with full power to delegate the authority to any other person(s) as they may deem necessary or advisable, to do and perform any of the following for and on behalf of the Cooperative:

- (a) Sign, execute the 7 MW Power Supply Agreement with TLI, file and/or cause the filing of the Application for the Approval of the Power Supply Agreement with the ERC ("Case").

CERTIFIED TRUE COPY



EASTERN SAMAR ELECTRIC COOPERATIVE, INC.

(E S A M E L C O)

Brgy. Cabong, Borongan City, Eastern Samar

- (a) Sign, execute the 7 MW Power Supply Agreement with TLI, file and/or cause the filing of the Application for the Approval of the Power Supply Agreement with the ERC ("Case").
- (b) Issue, sign, execute and deliver any and all documents, instruments, certificates and papers as may be required by the ERC and any other appropriate court, tribunal, government office, or administrative agency.
- (c) Sign or sign under oath, and verify any and all request or petitions for review, pleadings, motions and certifications, including verification and certifications of non-forum shopping, and to otherwise do such acts or execute such documents as may be required, to comply with any other formal or procedural in connection with the applications(s).
- (d) Do and perform any act or deed relating to the application which the Electric Cooperative could legally do or perform, including, but not limited to, the preparation and filing (or causing the preparation and filing of any and all pleadings, motions, requests or petitions for review, appeals and other papers, in relation to the application or any incidents thereto which may arise from or are connected with said application.
- (e) Do and perform every act necessary to carry into effects this foregoing as fully to all intents and purposes as the Electric Cooperative might or could lawfully do, with full power of substitution, delegation and revocation, and
- (f) Represent the cooperative in all stages of the application, including during the preliminary conference or pre-final, and make admission of facts and/or documents.

RESOLVED FURTHER, that the Electric Cooperative approves and ratifies any and all acts done by the foregoing authorized representatives of the ESAMELCO in all transactions referring to the application or Case processes for the Power Supply Agreement in the office of the ERC.

RESOLVED FURTHER, that the Board of Directors of ESAMELCO hereby constitutes and appoints the law office of Atty. Tyron Jan G. Albao and Atty. Peter Joven Y. de Oño to represent the Cooperative as legal counsel before the Energy Regulatory Commission for the joint application with Thermal Luzon, Inc. (TLI) for the approval of the Power Supply Agreement with a Prayer and Motion for Provisional Authority and Confidential Treatment of Information and for any related actions and remedies;

RESOLVED FINALLY to furnish a copy of this resolution to the National Electrification Administration (NEA) for information.

UNANIMOUSLY APPROVED.

I hereby certify to the correctness of the foregoing resolution.


DIR. MARIETA A. CAPATOY
Board Secretary

CERTIFIED TRUE COPY


Ayesa Grace D. Abing



EASTERN SAMAR ELECTRIC COOPERATIVE, INC.

(E S A M E L C O)

Brgy. Cabong, Borongan City, Eastern Samar


Attested by:


DIR. OSCAR C. CABLAO
Member


DIR. DIOGENES M. INCISO. JR.
Member


DIR. NITA O. RAMOS
Member


DIR. BLESS R. QUITON
Member


DIR. ANICETO M. QUINTUA
Treasurer


DIR. JANUARIO L. BADOCDOC
Vice President


~~DIR. REYNALDO S. GERNA~~
President


ATTY. JOSE MICHAEL EDWIN S. AMANCIO, CPA
General Manager

Page 2 of Board Resolution no. _____ series of 2024

PSA - THERMAL LUZON INC (TLU)

CERTIFIED TRUE COPY


Ayesa Grace D. Abing