

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



**IN THE MATTER OF THE  
APPLICATION FOR  
APPROVAL OF THE INTERIM  
POWER SALES AGREEMENT  
BETWEEN SPC ISLAND  
POWER CORPORATION  
(SIPC) AND BOHOL LIGHT  
COMPANY, INC. (BLCI)**

**ERC CASE NO. 2018-039 RC**

**SPC ISLAND POWER  
CORPORATION (SIPC) AND  
BOHOL LIGHT COMPANY,  
INC. (BLCI),**

**Applicants.**

X-----X

**D O C K E T E D**  
Date: JUN 18 2018  
By: [Signature]

**ORDER**

On 04 May 2018, SPC Island Power Corporation (SIPC) and Bohol Light Company, Inc. (BLCI) filed an Application for the approval of their Interim Power Sales Agreement (IPSA), with prayer for confidential treatment of information.

In their Application, SIPC and BLCI alleged the following:

**PARTIES**

1. SPC ISLAND POWER CORPORATION (SIPC) is a corporation duly organized and existing under Philippine laws with principal office at the 7<sup>th</sup> Floor, Citibank Center, 8741 Paseo de Roxas, Makati City. SIPC is a generation company, and it owns and operates the Bohol Diesel Power Plant (BDPP) in Dampas District, Tagbilaran City, Bohol. It

may be served with processes and papers through the undersigned counsel.

2. BOHOL LIGHT COMPANY, INC. (BLCI) is a corporation duly organized and existing under Philippine laws with principal office at BLCI Building, R. Enerio St., Poblacion 3, Tagbilaran City, Bohol. BLCI is a privately-owned distribution utility (DU) with franchise area covering Tagbilaran City. It may be served with processes and papers through the undersigned counsel.

#### **EXECUTIVE SUMMARY**

3. SIPC and BLCI jointly seek for the approval of their *Interim Power Sales Agreement* dated July 7, 2017 (**Interim PSA**). SIPC and BLCI executed the Interim PSA in counterparts, the duplicate originals of which are included as annexes. The respective board approvals of SIPC and of BLCI authorizing the filing of this application are attached to this application as **Annex A** and **Annex B**. The authorities of their counsels are attached as **Annex A-1** and **Annex B-1**, respectively.
4. The Interim PSA was executed to address the total blackout in the island of Bohol which started on July 6, 2017 when the High Voltage Direct Current transmission line and the Marshalling Station that transport power from Luzon and Cebu, respectively, were severely damaged by the 6.5 magnitude earthquake that hit the island of Leyte on the same day. A brief summary by the Philippine Institute of Volcanology and Seismology (PHIVOLCS) is attached hereto as **Annex C**.
5. In a letter dated July 7, 2017, BLCI requested SIPC for an emergency power supply for Tagbilaran City while generation and transmission facilities from Leyte are unavailable. At that time, BDPP was the only plant capable to deliver power to BLCI's franchise area. A copy of BLCI's letter dated July 7, 2017 is attached as **Annex D**.
6. BLCI's request for emergency power supply from SIPC was endorsed by the Provincial Government of Bohol and the City Government of Tagbilaran.
7. In a letter dated July 7, 2017, SIPC agreed to supply BLCI the full 16.0MW capacity of BDPP at the current offered rate of Php2.0205/kWh plus fuel, subject to the approval of the Energy Regulatory Commission (ERC), while generation and transmission facilities from Leyte are unavailable. A copy of SIPC's letter dated July 7, 2017 is attached as **Annex E**.
8. In a letter dated July 7, 2017, BLCI requested the ERC for a provisional authority to draw out emergency power from BDPP, pending the preparation and execution of the Interim PSA and the approval thereof by the ERC. A copy of BLCI's letter dated July 7, 2017 is attached as **Annex F**.

9. Acting upon the request of BLCI and relying upon the assurances of the Department of Energy (DOE), SIPC instructed BDPP to supply the urgently needed power to BLCI, pending provisional authority from the ERC.
10. Thus, at 6:21 P.M. of July 7, 2017, BDPP's units were energized and synchronized, and they started delivering power to BLCI's franchise area.
11. In a letter dated July 10, 2017, the ERC advised BLCI that "[p]ending the filing and approval [of its application], BLCI is authorized to draw power from SIPC's Bohol Diesel Power Plant (BDPP) at the rate of PhP2.0205/kWh plus efficient fuel cost subject to the Commission's review upon filing of the application." A copy of ERC's letter dated July 10, 2017 is attached as **Annex G**.
12. Under these extraordinary circumstances which effectively isolated Bohol from the grid, BLCI was constrained to enter into the Interim PSA without conducting a Competitive Selection Process (CSP) in the procurement of the emergency power. This was approved by the Commission in its letter dated July 10, 2017, stating among other things:

However, the Commission believes that this should not have been a matter of policy but of conscience. When circumstances warrant the performance of an act that requires the exercise of judgment that should be beyond legal and regulatory protocols, in order to ensure the delivery of basic human services so as not to prejudice the safety and security of a community and its inhabitants, waiting for approval from a government agency should not have been the primordial concern of the parties. The meritorious justifications are compelling reasons enough to act for the good of the public. xxx

13. BDPP's supply to BLCI started at interval 19 on July 7, 2017 until interval 16 on August 4, 2017 when the transmission line from Leyte to Bohol was restored and the power supply was normalized. BDPP supplied approximately 1,784,459.70 kWh during the period.
14. The supply of BDPP to BLCI and BOHECO I also enabled the hydro-plants in Bohol to operate, to wit: Janopol Hydro Electric Plant (JHEP) at 5MW capacity, Sevilla Hydro Electric Plant (SHEP) at 2.5MW capacity, and Loboc Hydro Electric Power Plant (LHEPP) at 1.2MW capacity, thereby energizing the 69kV line of National Grid Corporation of the Philippines (NGCP).
15. During the pre-filing conferences, the ERC Technical Working Group (TWG) for PSA applications directed the applicants to clarify with the Commission if, indeed, the CSP requirement finds no application in this emergency situation.

On October 18, 2017, SIPC filed a letter dated October 12, 2017 to the Commission in deference to the TWG's directive. A copy of the letter is attached hereto as **Annex H**.

16. In a letter dated November 16, 2017, BLCI stated its justifications in support of its letter dated July 7, 2017 requesting for provisional authority to draw out power from SIPC-BDPP while the Interim PSA was being finalized. A copy of the said letter is hereto attached as **Annex I**.
17. On November 28, 2017, BLCI received a letter from the Commission dated November 17, 2017 extending the authority to draw power from the BDPP "which shall be effective for six (6) months at the rate of Php2.0205/kWh plus efficient fuel cost or until the Commission approves a rate for the IPSA to be filed, whichever comes earlier." In the same letter, the Commission advised the applicants to file the application for the approval of the generation cost for the supply of electricity under the IPSA, within six (6) months from its receipt. A copy of ERC's letter is attached hereto as **Annex J**.

**RATE IMPACT**

18. The rate impact is **0.30 P/kWh** as shown below:

<b>NORMAL OPERATION</b>				
<b>Supplier</b>	<b>MQ (MWh)</b>	<b>(%)</b>	<b>Rate (P/kWh)</b>	<b>Cost PHP(MIL)</b>
KSPC	2,186.67	25%	5.57	12,176.23
ULGEI	4,600.86	53%	6.25	28,766.85
WESM	1,972.82	23%	3.80	7,496.62
<b>TOTAL</b>	<b>8,760.34</b>	<b>100%</b>		<b>48,439.69</b>
<b>RATE (P/kWh)</b>	<b>5.53</b>			

<b>WITH BDPP (FOR THE MONTH OF JULY)</b>				
<b>Supplier</b>	<b>MQ (MWh)</b>	<b>(%)</b>	<b>Rate (P/kWh)</b>	<b>Cost PHP(MIL)</b>
KSPC	1,575.00	18%	5.57	8,770.23
ULGEI	3,720.70	42%	6.25	23,263.71
BDPP	1,655.46	19%	7.37	12,197.20
WESM	1,809.18	21%	3.76	6,797.99
<b>TOTAL</b>	<b>8,760.34</b>	<b>100%</b>		<b>51,029.12</b>
<b>RATE (P/kWh)</b>	<b>5.83</b>			

**PRE-FILING REQUIREMENTS**

19. Applicants submit herewith their respective requirements which are numbered accordingly following the *ERC Checklist of Pre-Filing Requirements for Applications for Approval of Power Supply Agreement*.

I. GOVERNMENT REQUIREMENTS

FOR BLCI:

<b>Annex</b>	<b>Description</b>
<b>K</b>	Certificate of Incorporation issued on July 21, 2000 Articles of Incorporation By-Laws
<b>K-1</b>	Certificate of Filing of Amended By-Laws issued on October 18, 2004 Amended By-Laws
<b>L</b>	General Information Sheet (GIS) for the Year 2017 <b>Note:</b> This document shows, among other things, the following information: (i) BLCI's incumbent directors and officers, (ii) BLCI's parent company and affiliate, and (iii) BLCI's stockholders.
<b>M</b>	Audited Financial Statements for the Years Ended December 31, 2016 and 2015 <b>Note:</b> This is not a required document, but it gives corporate information on BLCI, such as its corporate history and parent company, among other things.

FOR SIPC:

<b>Annex</b>	<b>Description</b>
<b>N</b>	Certificate of Incorporation issued on June 26, 2001 Articles of Incorporation By-Laws
<b>O</b>	Certificate of Filing of Amended By-Laws issued on October 5, 2004 Amended By-Laws
<b>O-1</b>	Certificate of Filing of Amended Articles of Incorporation issued on February 11, 2008 Amended Articles of Incorporation
<b>O-2</b>	Certificate of Filing of Amended By-Laws issued on February 11, 2008 Amended By-Laws
<b>O-3</b>	Certificate of Filing of Amended Articles of Incorporation issued on September 15, 2011
<b>N/A</b>	Shareholders' Agreement <b>Note:</b> This requirement is not applicable. SIPC has no Shareholders' Agreement.
<b>P</b>	Securities and Exchange Commission (SEC) Certificate of Registration of the said Articles of Incorporation
<b>Q</b>	General Information Sheet for the Year 2017
<b>R</b>	Certification dated August 22, 2017 showing information on SIPC's ultimate parent company, its subsidiaries, and all its affiliates
<b>S</b>	Board of Investment (BOI) Certificate of Registration with attached terms and conditions <b>Note:</b> This requirement is not applicable. SIPC is not BOI-registered.

<b>T</b>	Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources (DENR) <b>Note:</b> Documents submitted herewith are as follows: (i) DENR-Environmental Management Bureau (EMB) Region 7's letter with subject "Transfer of Ownership" of BDPP to SIPC; (ii) DENR-EMB Region 7's letter dated December 14, 2007 with subject "Approval of ECC" for BDPP; (iii) ECC dated October 31, 2007 for BDPP.
<b>U</b>	Certificate of Compliance dated June 13, 2016 for SPC Island Power Corporation (Bohol Diesel Power Plant) with Terms and Conditions (Annex A)
<b>V</b>	Asset Purchase Agreement between PSALM and SPC Power Corp.
<b>N/A</b>	Renewable Energy Service/Operating Contract from the DOE <b>Note:</b> This requirement is not applicable.
<b>N/A</b>	Certificate of Registration or Certificate of Confirmation of Commerciality by an RE Developer and after due confirmation by the DOE <b>Note:</b> This requirement is not applicable.
<b>W</b>	Alternative Demand Side Management (DSM)

**II. SUPPLY AND DEMAND SCENARIO**

<b>Annex</b>	<b>Description</b>
<b>X</b>	Certification by NPC re: Transition Supply Contract (TSC) <b>Note:</b> Contract for the Supply of Electric Energy dated May 26, 2014
<b>Y</b>	Details re: load forecast projections, etc.

**III. PROCUREMENT PROCESS**

<b>Annex</b>	<b>Description</b>
<b>Z</b>	Details on the procurement process used by the DU <b>See par. 12 above and Annexes D, E, F, G, H, and I</b>

**IV. POWER SUPPLY AGREEMENT AND OTHER AGREEMENTS**

<b>Annex</b>	<b>Description</b>
<b>AA</b>	Interim Power Sales Agreement dated July 7, 2017
<b>BB</b>	Details re: transmission projects, etc. <b>Note:</b> Transmission Service Agreement with NGCP

**V. GENERATION/POWER RATE**

<b>21. Details of the PSA/ECA</b>	
a. Executive Summary	See paragraph 14, <i>et seq.</i>
b. Sources of Funds/ Financial Plans	See <b>Annex CC series.</b>
• Debt/Equity Ratio	

<ul style="list-style-type: none"> <li>• Project Cost</li> </ul>	
<ul style="list-style-type: none"> <li>• Computation of Return on Investment/WACC</li> </ul>	See <b>Annex CC series.</b>
<ul style="list-style-type: none"> <li>• Certification from the Bank/Lending Institution specifying the principal amortization, term and interest during the cooperation period of the loan agreement.</li> </ul>	Not applicable
<ul style="list-style-type: none"> <li>• Life of Asset versus Term of Loan (Computation of levelized cost)</li> </ul>	Not applicable
<ul style="list-style-type: none"> <li>• Bank Certification of Long-term Loans, including, to wit:</li> </ul>	
<ol style="list-style-type: none"> <li>1. Schedule of Original Loan (Principal amount, interest payable, term of the loan)</li> </ol>	Not applicable
<ol style="list-style-type: none"> <li>2. Updated Balances (Principal amount, interest payable, penalties (if any), remaining term of the loan)</li> </ol>	Not applicable
<p>c. Generation Rate and Derivation</p> <ul style="list-style-type: none"> <li>• Financial model containing the derivation of rates (excel file required)</li> </ul>	<p>The IPSA covers only the period that power supply from Leyte was not yet restored to its normal capacity and not yet available to the DU.</p> <p>The rates were derived based on the actual cost and expenses incurred by SIPC (particularly BDPP) in delivering the emergency power to the DU in July 2017.</p> <p>See <b>Schedule B, B-1 and Schedule C</b></p>
<ul style="list-style-type: none"> <li>• Breakdown of the base prices; Capital Recovery Fee, Fixed and Variable O&amp;M, and Fuel Fee</li> </ul>	See <b>Schedule A</b>
<ul style="list-style-type: none"> <li>• Breakdown of Project Cost and Operations and Maintenance (O&amp;M) Cost including the description of and justification/support for each component</li> </ul>	See <b>Schedule B, B-1 and Schedule C</b>
<ul style="list-style-type: none"> <li>• Sample Computation of Power Rates with the supporting documents on the assumptions taken</li> </ul>	Please refer to <b>Annex "E"</b> and <b>Annex "F"</b> of the <b>Interim PSA</b> (Annex A and Annex A-1)
<ul style="list-style-type: none"> <li>• Rate impact simulation on the overall rates of the DU once the contract is approved including</li> </ul>	There is only one rate for the DUs (BOHECO I and BLCI) since only the BDPP is capable of delivering

<p>an explanation on assumptions and input parameters used in the derivation thereof</p>	<p>emergency power to their franchise areas.</p> <p>The intensity scale 6.5 earthquake that hit Leyte on July 6, 2017 had caused power system disturbance that prevented the power supply of the DU from Luzon and Cebu.</p> <p>However, the reasonableness of the price of emergency power supplied by BDPP is to be ensured by the ERC through its own review and verification of BDPP's operating cost and expenses.</p>
<ul style="list-style-type: none"> <li>• Basis/rationale of indexation including the sources, reference date and weight of indexation</li> </ul>	<p>Not applicable</p>
<ul style="list-style-type: none"> <li>• Basis/rationale/derivation of Other Charges such as replacement, start-up, pre-commercial, and ancillary costs</li> </ul>	<p>Not applicable</p>
<ul style="list-style-type: none"> <li>• Equivalent PhP/kWh with assumptions for foreign denominated rates</li> </ul>	<p>Not applicable</p>
<p>d. Cash Flow specifying the following:</p> <ul style="list-style-type: none"> <li>• Initial Costs</li> </ul>	<p>See <b>Schedule B, B-1</b> and <b>Schedule C</b></p>
<ul style="list-style-type: none"> <li>• Breakdown of Operating and Maintenance expenses</li> </ul>	<p>Not applicable</p>
<ul style="list-style-type: none"> <li>• Minimum Energy Off-take (MEOT)</li> </ul>	<p>Not applicable</p>
<p>1. Schedule of Original Loan (Principal amount, interest payable, term of the loan)</p>	<p>Not applicable</p>
<p>2. Updated Balances (Principal amount, interest payable, penalties (if any), remaining term of the loan)</p>	<p>Not applicable</p>
<p>d. Generation Rate and Derivation</p> <ul style="list-style-type: none"> <li>• Financial model containing the derivation of rates (excel file required)</li> </ul>	<p>The IPSA covers only the period that power supply from Leyte was not yet restored to its normal capacity and not yet available to the DU.</p> <p>The rates were derived based on the actual cost and expenses incurred by SIPC (particularly BDPP) in delivering the emergency power to the DU in July 2017.</p> <p>See <b>Schedule B, B-1</b> and <b>Schedule C</b></p>



<ul style="list-style-type: none"> <li>• Breakdown of the base prices; Capital Recovery Fee, Fixed and Variable O&amp;M, and Fuel Fee</li> </ul>	See <b>Schedule A</b>
<ul style="list-style-type: none"> <li>• Breakdown of Project Cost and Operations and Maintenance (O&amp;M) Cost including the description of and justification/support for each component</li> </ul>	See <b>Schedule B, B-1 and Schedule C</b>
<ul style="list-style-type: none"> <li>• Sample Computation of Power Rates with the supporting documents on the assumptions taken</li> </ul>	Please refer to <b>Annex “E”</b> and <b>Annex “F”</b> of the <b>Interim PSA</b>
<ul style="list-style-type: none"> <li>• Rate impact simulation on the overall rates of the DU once the contract is approved including an explanation on assumptions and input parameters used in the derivation thereof</li> </ul>	<p>There is only one rate for the DUs (BLCI and BOHECO I) since only the BDPP is capable of delivering emergency power to their franchise areas.</p> <p>The intensity scale 6.5 earthquake that hit Leyte on July 6, 2017 had caused power system disturbance that prevented the power supply of the DU from Luzon and Cebu.</p> <p>However, the reasonableness of the price of emergency power supplied by BDPP is to be ensured by the ERC through its own review and verification of BDPP’s operating cost and expenses.</p>
<ul style="list-style-type: none"> <li>• Basis/rationale of indexation including the sources, reference date and weight of indexation</li> </ul>	Not applicable
<ul style="list-style-type: none"> <li>• Basis/rationale/derivation of Other Charges such as replacement, start-up, pre-commercial, and ancillary costs</li> </ul>	Not applicable
<ul style="list-style-type: none"> <li>• Equivalent PhP/kWh with assumptions for foreign denominated rates</li> </ul>	Not applicable
d. Cash Flow specifying the following:	
<ul style="list-style-type: none"> <li>• Initial Costs</li> <li>• Breakdown of Operating and Maintenance expenses</li> </ul>	See <b>Schedule B, B-1 and Schedule C</b>
<ul style="list-style-type: none"> <li>• Minimum Energy Off-take (MEOT)</li> </ul>	Not applicable

20. *Term.* The Term of the Interim PSA is effective from July 7, 2017 (the Effective Date) until the power supply from Leyte is fully restored to its normal capacity and it becomes available to BLCI.
21. *Contract Quantity.* Throughout the Term of the Interim PSA, SIPC shall deliver to BLCI its Final Hourly Contract Quantity (HCQ) and BLCI shall purchase the same subject to the terms of the IPSA.
22. *Electrical Characteristics; Delivery Point; Transmission Connection; Transmission Services.* SIPC shall deliver or cause the delivery of the Final HCQ which shall meet the characteristics of electricity set out in Annex D of the Interim PSA. SIPC shall deliver or cause the delivery of the Final HCQ at the high voltage side of the main transformer of its substation. Each party shall be responsible for the connection of its facilities to the Grid in accordance with the Grid Code and the Distribution Code. Each party shall maintain its own Transmission Service Agreement (TSA) with the National Grid Corporation of the Philippines in accordance with the Open Access Transmission Service Rules.
23. *Rate Computation.* The cost of energy delivered by SIPC to BLCI is computed at **Php2.0205/kWh as the Basic Rate (or Base Price) plus Fuel Fee** that is the actual cost of fuel used during the Billing Period to deliver energy (see **Schedule A** and **Schedule B** for the breakdown).
- (a) The *Basic Rate* (or *Base Price*) represents the fixed and variable costs incurred by SIPC in delivering energy to BLCI including the capital recovery and profit margin subject to ERC's validation for rate approval.
- (b) The *Fuel Fee* refers to the average monthly cost of fuel used to generate one (1) kWhr of energy exported by BDPP considering the actual amount of bunker-C and diesel fuels consumed, computed at the weighted average price of the respective fuels during the Billing Period. The Fuel Fee is computed as follows:

$$\text{Fuel Fee (FF)} = \text{Fuel Oil Consumption Rate (FOCR)} \times \text{Fuel Cost (FC)}$$
$$(\text{FF}) = (\text{FOCR}) \times (\text{FC})$$

Where –

- FOCR (in li/kWhr) is the average fuel consumption rate needed to generate one (1) kWhr of energy during every Billing Period based on the actual total fuel consumption of BDPP used to deliver the total metered quantity (MQ) as measured in the WESM.
- FC (in Php/li) is the price at which SIPC acquired the fuel equivalent to the weighted average price of fuels (Bunker-C and Diesel) consumed for the month.

- (c) A *Sample Fuel Fee Computation* is presented in Annex "E" showing specific FOCR of both Bunker-C and Diesel fuels, based on actual plant performance on January 26 to February 25, 2017.

24. *Computation of Payment.* The Total Energy Fee is computed as follows:

$$\text{Energy Fee (in P/kWh)} = [(MQ) \times (\text{Basic Rate} + FF)] + \text{VAT}$$

Where –

- MQ is the Metered Quantity in kWh
- FF is the Fuel Fee in P/kWh as determined in Annex "E" of the Interim PSA
- Basic Rate (or Base Price) is set at P2.0205/kWh subject to ERC approval
- VAT is 12%

REQUEST FOR CONFIDENTIAL TREATMENT OF INFORMATION

25. Pursuant to Rule 4 of the *ERC Rules of Practice and Procedure*, applicants request for confidential treatment of the information contained in and documents submitted herewith as **Annex R, V, X, AA, BB, CC series, Schedule B, B-1, Schedule C, and Schedule D**. These documents contain valuable proprietary interests and information relating to the business and operations of SIPC and they are not available to the public. Hence, they must be perpetually protected and not disclosed to any third party. These schedules are submitted pursuant to Section 1(b) of Rule 4.

RELIEF

APPLICANTS pray that the Honorable Commission –

- (1) ISSUE AN ORDER according confidential treatment to the information and documents described in paragraph 25 above;
- (2) APPROVE this application and the Interim PSA retroactive to 6:21 P.M. of July 7, 2017; and
- (3) GRANT other equitable relief.

Finding the said Application to be sufficient in substance with the required fees having been paid, the same is hereby set for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **12 July 2018 (Thursday) at ten o'clock in the**

**morning (10:00 A.M.) at BLCI Main Office in R. Enerio St., Poblacion 3, Tagbilaran City, Bohol.**

Accordingly, SIPC and BLCI are hereby directed to:

- 1) Cause the publication of the attached Notice of Public 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 hearing;
- 2) Furnish with copies of this Order and the attached Notice of Public Hearing the Offices of the Provincial Governor, the City and Municipal Mayors, and the Local Government Unit (LGU) legislative bodies within the affected franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform of the filing of the Application, its reasons therefor, and of the scheduled hearing thereon, the consumers within the affected franchise area, by any other means available and appropriate;
- 4) Furnish with copies of this Order and the attached Notice of Public 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 Application and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

On the date of the initial hearing, Applicants must submit to the Commission their written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked the following:

- 1) The evidence of publication of the attached Notice of Public Hearing consisting of affidavits of the Editors or Business Managers of the newspapers where the said Notice of

Public Hearing were published, and the complete issues of the said newspapers;

- 2) The evidence of actual posting of this Order and the attached Notice of Public 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 Applicants to inform of the filing of the Application, its reasons therefore, and of the scheduled hearing thereon, the consumers within the affected franchise area;
- 4) The evidence of receipt of copies of this Order and the attached Notice of Public Hearing by the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the Application and its attachments by all those making requests therefor, if any; and
- 6) Such other proofs of compliance with the requirements of the Commission.

Applicants and all interested parties are also required to submit, at least five (5) days before the date of initial hearing and Pre-trial Conference, their respective Pre-trial Briefs containing, among others:

- (a) A summary of admitted facts and proposed stipulation of facts;
- (b) The issues to be tried or resolved;
- (c) The documents or exhibits to be presented, stating the purposes thereof and proposed markings therefore; and
- (d) The number and names of the witnesses, with their written testimonies in an individual affidavit form, to be attached to the Pre-trial Brief.

Failure of Applicants to comply with the above requirements within the prescribed period shall be a ground for cancellation of the

scheduled hearing, and the resetting of which shall be six (6) months from the said date of cancellation.


SIPC and BLCI must also be prepared to make an expository presentation of the instant 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, what the Application is all about and the reasons and justifications being cited in support thereof.

**SO ORDERED.**

Pasig City, 11 June 2018.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**JOSEFINA PATRICIA A. MAGPALE-ASIRIT**  
*Oversight Commissioner for Legal*

LS: /arg/gls/ apv.2018-042 RC SIPC and BLCI.doc

ROS:nvp/ajo/fbd

Copy furnished:

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3. Office of the Solicitor General  
134 Amorsolo Street, Legaspi Village  
Makati City, Metro Manila

4. Commission on Audit  
Commonwealth Avenue  
Quezon City, Metro Manila
5. Senate Committee on Energy  
GSIS Building, Roxas Boulevard  
Pasay City, Metro Manila
6. House Committee on Energy  
Batasan Hills  
Quezon City, Metro Manila
7. Office of the Provincial Governor  
Province of Bohol
8. Office of the LGU Legislative Body  
Province of Bohol
9. Office of the City Mayor  
City of Tagbilaran
10. Office of the LGU Legislative Body  
City of Tagbilaran
11. Office of the City Mayor  
City of Makati
12. Office of the LGU Legislative Body  
City of Makati
13. Regulatory Operations Service  
Energy Regulatory Commission (ERC)  
17<sup>th</sup> Floor, Pacific Center Building  
San Miguel Avenue, Pasig City