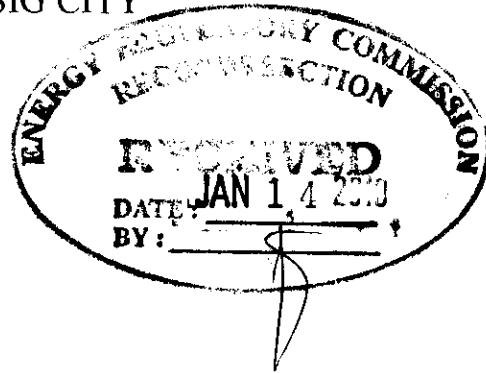


REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
SAN MIGUEL AVENUE, PASIG CITY

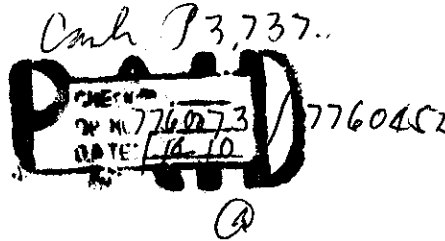
IN THE MATTER OF THE APPLICATION FOR APPROVAL OF THE POWER SALES AGREEMENT BETWEEN VMC RURAL ELECTRIC SERVICE COOPERATIVE, INC., AND FIRST FARMERS HOLDINGS, CORPORATION (FFHC).



ERC CASE 20010-008 PC

V-M-C RURAL ELECTRIC SERVICE COOPERATIVE, INC.(VRESCO), AND FIRST FARMERS HOLDINGS, CORPORATION (FFHC)

Applicants.



X-----X

APPLICATION FOR THE APPROVAL OF POWER SUPPLY AGREEMENT WITH PRAYER FOR PROVISIONAL AUTHORITY

Applicants VMC Rural Electric Service Cooperative, Inc. ("VRESCO") and First Farmers Holdings, Corp. ("FFHC"), by the undersigned counsels, respectfully state:

THE APPLICANTS

1. Applicant VRESCO is a franchised distribution utility duly organized and existing under and by virtue of the laws of the Republic of the Philippines, particularly Presidential Decree No. 269, as amended, with office address at Brgy. Tortosa, Manapla, Negros Occidental. It has been granted a franchise by the National Electrification Administration ("NEA") to distribute electric service in the cities of Cadiz and San Carlos, the municipalities of Calatrava, E.B. Magalona, Escalante, Manapla, Toboso, Sagay and Victorias, all in the province of Negros Occidental (the "Franchise Area").

The foregoing assertions are supported by VRESCO's **Articles of Incorporation**¹ and **Certificate of Franchise**.²

2. Applicant FFHC is a holder of **Certificate of Compliance (COC) No. 09-04-GN-33-16640**³ issued by the Energy Regulatory Commission. Under the foregoing Certificate of Compliance, it has been established before the Honorable Commission that the co-applicant FFHC is a domestic corporation, existing under and by virtue of the laws of the Republic of the Philippines, with principal place of operations at Barangay Dos Hermanas, Talisay City, Negros Occidental, Philippines. FFHC has a Generation Facility with a capacity of 21.76 MW, classified as a Co-Generation, Bagasse Fired Type, Bagasse Fueled System, squarely falling under the category of Biomass Energy Systems and/or Renewable Energy Systems, as defined under Section 4, of Republic Act No. 9153, otherwise known as the Renewable Energy Act of 2005. In addition to the Certificate of Compliance, FFHC's **Certificate of Filing of Amended Articles of Incorporation**⁴, the **Amended Articles of Incorporation**⁵, **General Information Sheet for the Year 2009**⁶, and **DENR Environmental Compliance Certificate**⁷, are attached to this application.

3. The Parties may be served with orders and other processes through the undersigned counsels..

¹ A Copy of VRESCO's Articles of Incorporation is attached hereto as **Annex "A."**

² A Copy of VRESCO's Certificate of Franchise is attached hereto as **Annex "B."**

³ A copy of FFHC's Certificate of Compliance (COC) No. 09-04-GN-33-16640, issued by the Energy Regulatory Commission last April 27, 2009, is hereto attached as **Annex "C."**

⁴ A copy of FFHC's Certificate of Filing of Amended Articles of Incorporation dated October 16, 2008, is hereto attached as **Annex "D."**

⁵ A copy of FFHC's Amended Articles of Incorporation adopted last September 6, 2008, is hereto attached as **Annex "E."**

⁶ A copy of FFHC's General Information Sheet for 2009, is hereto attached as **Annex "E-1."**

⁷ A copy of FFHC's Environmental Compliance Certificate No.0607-0301-063-120, is hereto attached as **Annex "E-2."**

NATURE OF THE APPLICATION

4. Pursuant to Rule 20 (B) of the ERC Rules of Practice and Procedure, approved by this Honorable Commission on 22 June 2006 in Resolution No. 38, Series of 2006, this Application is submitted to the Honorable Commission, in order to secure for the requisite approval of the **Power Supply Agreement (PSA)**⁸ by and between VRESCO and FFHC.

COMPLIANCE WITH PRE-FILING REQUIREMENTS

5. In compliance with Rule 6 of the ERC Rules of Practice and Procedure, approved by this Honorable Commission on 22 June 2006 in Resolution No. 38. Series of 2006, Applicants have furnished all legislative bodies of the franchise area with a copy of the present application with all its annexes and accompanying documents. This allegation is supported by the **Certifications**⁹ from the Presiding Officer or Secretary of the legislative bodies of the Cities of Victorias, Cadiz, Sagay, Escalante, and San Carlos, the Municipalities of E.B. Magalona, Manapla, Calatrava, and Toboso, and the Province of Negros Occidental.

6. Furthermore, Applicants have caused the publication of the present application in its entirety in the Visayan Daily Star, a newspaper of general circulation within the franchise area of VRESCO. Copies of the **Affidavit of Publication**¹⁰ and the actual **Newspaper Issue**¹¹ of the Visayan Daily Star is hereto attached in order to support this allegation.

⁸ A copy of the PSA dated September 1, 2009 is attached hereto as **Annex "F."**

⁹ Copies of the Certifications issued by the City Governments of Victorias, Cadiz, Sagay, Escalante, and San Carlos, the Municipal Governments of E.B. Magalona, Manapla, Calatrava, and Toboso, and the Provincial Government of Negros Occidental, are attached hereto as **Annexes "G," "G-1" to "G-9,"** respectively.

¹⁰ A copy of the Affidavit of Publication of the Visayan Daily Star is attached hereto as **Annex "H."**

¹¹ A copy of the actual Newspaper Issue of the Visayan Daily Star is attached hereto as **Annex "I."**

STATEMENT OF FACTS

7. VRESCO's Power Supply Contract with the National Power Corporation (NPC) will expire on December 25, 2010. After such date, NPC can no longer provide the energy requirements of VRESCO due to the recent sale of all its assets. In a **Certification dated 16 July 2008**,¹² NPC categorically stated that it cannot commit the availability of capacity to supply any energy requirement of VRESCO for the period 2011 to 2020 due to the on-going privatization of the NPC generating assets in the Visayas Grid.

8. In preparation for this event, VRESCO commenced the search for Independent Power Producers that can supply VRESCO's annual energy requirement of 145,250,754 Kwh. In its search of energy suppliers, VRESCO established the criteria that the Independent Power Producers (IPP) must be able to provide VRESCO with readily available, reliable and cheap energy.

9. First and foremost, VRESCO executed a **Power Supply Contract**¹³ with KEPCO SPC Power Corporation for a Contract Quantity of 61,320,000 kWh for its base load requirements, effective for a period of ten years commencing 28 February 2011.

10. In addition to the foregoing, VRESCO entered into another Power Supply Agreement with San Carlos BioEnergy, Inc. (SCBI) for a Contract Quantity of 21,024,000 kWh effective for a period of thirty years from date of approval by ERC. The Application for the Approval of the PSA between VRESCO and SCBI is docketed as ERC Case No. 2008-057 RC, and awaiting final decision of the Honorable Commission.

11. VRESCO further prioritized negotiations with IPPs that are within its

¹² A copy of the NPC Certification dated July 16, 2008 is attached hereto as **Annex "J."**

¹³ Approved Power Supply Contract between VRESCO and KEPCO SPC Power Corporation per ERC Decision dated December 8, 2008, issued in ERC Case No. 2008-046 RC.

franchise area or proximate to it. One of these IPPs is First Farmer's Holding Corporation (FFHC). Not only is FFHC within the proximity of VRESCO's franchise area, it also operates a Co-Generation, Bagasse Fired Type, Bagasse Fueled System, a Renewable Energy System like SCBI.

12. Sometime last August 2009, FFHC communicated with VRESCO that its Power Plant is already operational and that it is ready to supply power of at least 5MW per day. After a series of negotiations, parties came to an agreement. And thus, a Power Supply Agreement was forged between VRESCO and FFHC. The final version of the **Power Supply Agreement (PSA) dated September 1, 2009,**¹⁴ was signed by VRESCO President Armando Federico L. Valmayor and General Manager Eduardo B. Parrocho, by virtue of the authority granted by the VRESCO Board, embodied in **Board Resolution No. 84, Series of 2009.**¹⁵ On the other hand, FFHC was represented in this agreement by its President Jose Ma. A. Villanueva and General Manager Ricardo Leon Echaus by virtue of the authority granted by the FFHC Board, evidenced by the **Secretary's Certificate dated September 19, 2009.**¹⁶

ABSTRACT OF THE POWER SALES CONTRACT AND RELATED INFORMATION

13. **Executive Summary.** Under the PSA, FFHC shall supply VRESCO electric power on a NON-FIRM or AS-AVAILABLE-BASIS arrangement. During Milling Operations, FFHC shall supply VRESCO with electricity generated by its existing Generation Facility with a capacity of 21.76 MW, classified as a Co-Generation, Bagasse Fired Type, Bagasse Fueled System, situated in Talisay City, Negros Occidental. The average daily nomination of VRESCO shall be based on the FFHC Day-Ahead Available Capacity, which shall be submitted by FFHC to VRESCO, and shall be confirmed by VRESCO, one day before the actual utilization of energy.

¹⁴ Annex "F," *supra*.

¹⁵ A copy of Board Resolution No. 84, Series of 2009 is hereto attached as Annex "K."

¹⁶ A copy of the FFHC Secretary's Certificate dated September 19, 2009 is hereto attached as Annex "L."

14. Salient features of the PSA.

14.1. **Term.** The PSA has a term of ten (10) years from the date of the signing of the PSA last September 1, 2009.

14.2. **Volume.** During **Milling Operations**,¹⁷ the daily Contract Quantity shall be on AS-AVAILABLE-BASIS, with the best effort on the part of FFHC to maintain the minimum quantity of 3.0 - 3.5 MW.

14.3. **Purchased Power Rate.** The price per kilowatt hour (kWh) of electricity delivered by FFHC from January 1, 2011 to August 31, 2019 shall be as follows:

P4.1920 per kWh¹⁸

14.4. **Provisional Rate.** The price per kilowatt hour (kWh) of electricity delivered by FFHC from September 1, 2009 to December 31, 2010, shall be as follows:

ONE PERCENT (1%) lower than the weighted average discounted generation charges before the application of prompt payment discount (PPD) being paid by VRESCO to NPC¹⁹

14.5. **Escalation Clause.** Under the PSA, the foregoing Power Rates shall be adjusted ONLY in cases of significant increases in the price of fuel and materials. In such event, the agreed rate shall be adjusted using the Consumer Price Index (CPI). The price adjustment formula for the FFHC Power Rates shall as follows:

$$\text{CRF} + (\text{OM} \times (\text{CPIc}/\text{CPIb})) + (\text{FP} \times (\text{CPIc}/\text{CPIb}))$$

Where:

CRF - The Capital Recovery fee for the required return on total investment costs

OM - The Operating and Maintenance costs for the given period

CPIc - The Current Consumer Price Index

¹⁷ Milling Operations starts August or September and ends March or April the following year (Sec. 5 PSA).

¹⁸ Section Five, PSA.

¹⁹ Section Twenty-Two, PSA.

CPIb - The Base Consumer Price Index

FP - The Fuel Price for the Given Period

14.6. **Breakdown of the Power Rate.** The FFHC Power Rate of **P4.1920** per kWh is broken down as follows:

Gross Capacity	21,760
WACC	12.23%
Economic Life	25 years
Capital Costs	
EPC	598,750,000
Balance of Plant	14,200,000
Interest During Construction	34,000,000
Financing Charges	5,000,000
Total Capital Cost	651,950,000
Max Rating Gross Capacity (MW)	21.76
Capacity Derating	2.5%
Effective Max Rating Gross (MW)	21.22
Auxiliary Load	7.5%
Potential Generation (MW)	19.62
Sustainable Net Generation	10.60
High Heat Rate Value Manufacturer	25,078.54
Bagasse Heating Value	4,224.00
Bagasse Required, tons	263,424.2
Bagasse Transferred, tons	263,429.5
Heat Rate Degradation	1.5%
Average Net Heat Rate	25,460.44
Variable Cost	5,492,620
Variable O&M per MWh net generation	101.93
Cost of Fuel transferred, ton	240.00
Cost of Fuel/MWh Gross generation,Php/MWh	1,173.25
Cost of Fuel/MWh Net generation,Php/MWh	1,268.38
Total Net Generation Variable Costs/MWh	1,370.31
Required Return on Total Investment Costs	84,427,437
Fixed Annual Costs	64,474,416
Total Capital & Fixed	148,901,853
Forced Outrage due to Fuel Unavailability	34.52%
Maintenance	10.96%
Availability Factor	65.48%

Capacity Factor	50.85%
Net Generation Capacity MW	19.62
Total Generation Sent out to Grid MWhr	53,887
Average total fixed cost per MWhr	2,763.22
Total Variable Cost	101.93
Cost per MWhr of net energy generated	2,865.15
Transformer Losses	2.0%
Cost per MWhr Delivered	2,923.62

	UPDATED COST
Fixed Cost, Php/kWh	2.8196
Capital Cost Recovery	1.5987
Operations and Maintenance (Fixed)	1.2209
Variable Cost,Php/kWh	1.3724
Operations and Maintenance (Variable)	0.1040
Fuel	1.2684
TARIFF RATE	4.1920
<i>Rate Net of Fuel</i>	2.9236

14.7. Transmission Connection. Both applicant shall be responsible for the connection of its facilities to the Grid, in accordance with the Philippine Grid Code and the Distribution Code. Its party shall bear its own fees, costs and expenses incurred for such connection.

14.8. Transmission Services. Applicants VRESCO and FFHC shall separately enter into a Transmission Services Agreement (TSA) with the National Grid Corporation of the Philippines (NGCP) in accordance with open access transmission service rules. All fees, costs and expenses, including but not limited to, power delivery services, system operator charges, and supply and metering charges, in relation to the TSA between NGCP and VRESCO (“transmission costs”) shall be for the account of VRESCO. All transmission costs in relation to the TSA between NGCP and FFHC shall be for the account of FFHC.

14.9. Ancillary Services. Applicants VRESCO and FFHC shall separately procure their respective applicable ancillary services fro NGCP, WESM or any alternative ancillary service provider, in accordance with the relevant laws, rules, or regulations.

14.10. Electrical Characteristics. FFHC shall supply the hourly quantity to VRESCO in accordance with good utility practice and in compliance with appropriate rules and regulations such as the Philippine Grid Code and Distribution Code, the WESM Rules and the Open Access Transmission Service Rules. FFHC shall supply electricity at the 69KV side of the Substation Transformer at 69KV, 60 Hertz. FFHC shall supply active power output within the system frequency range of 59.7 to 60.3 Hertz and a reactive power output under steady state condition within the voltage range + 5% of nominal value at the connection point.

14.11. Project Cost of the Power Plant: The total project cost for the FFHC power plant project is P651,950,000, Philippine Currency.

14.12. Sources of Funds. Applicant FFHC's sources of funds are summarized as follows:

SOURCE OF FUNDS	AMOUNT (Php)	PERCENTAGE
Equity	181,372,400	28%
DBP Loan Tranche A	168,726,000	26%
DBP Loan Tranche B	55,840,000	9%
DBP Loan Tranche C	69,612,000	11%
DBP Loan Tranche D	23,399,600	4%
RCBC	150,000,000	23%
TOTAL	651,950,000	100%

Details of the foregoing are laid down in the document entitled as **Sources of Funds for the Power Plant Project**²⁰. A **Certification dated November 20, 2009**²¹ issued by the Development Bank of the Philippines and another **Certification dated November 24, 2009**²² issued by the RCBC establishes the borrowings of the FFHC as well as the salient terms and conditions of the loan contract.

14.13. Debt to Equity Ratio. Applicant FFHC's debt to equity ratio is 72:28. Twenty-eight percent (28%) of the Funds came from Equity Investments while Seventy-

²⁰ A copy of the FFHC Sources of Funds Power Plant Project is hereto attached as **Annex "L-1."**

²¹ A copy of the DBP Certification dated November 20, 2009, executed by Mgr. Rosemarie C. Callanta is hereto attached as **Annex "L-2"**.

²² A copy of the RCBC Certification dated November 24, 2009, executed by Dino A. De Ramos is hereto attached as **Annex "L-3"**.

two percent (72%) came from borrowings from two financial institutions.

14.14. **Weighted Average Cost of Capital.** Applicant FFHC's weighted average cost of capital for the project is equal to 12.23%. In support of such allegations, the **Computation for the Weighted Average Cost of Capital²³** (WACC).

14.15. **Viability of the Power Plant Project.** Applicant FFHC submits that its power plant project is viable and sustainable. Starting Calendar Year 2011, when the rate of P4.1920 per Kwh is already applied, it will have a projected cash balance ending of P5.2 Million. In support of this allegation, the **Projected Cash Flow Statement²⁴** are attached for the perusal and consideration of the Honorable Commission. To further prove the financial stability of Applicant FFHC, copies of its **Audited Financial Statements as of June 30 2009²⁵ and June 30, 2008²⁶**.

**COMPARISON OF FFHC RATE PER KILOWATT HOUR
WITH THE PREVAILING NPC RATES FOR THE VISAYAS**

15. The following table shows comparison between the prevailing NPC rate for the Visayas, the NPC Rate Application for 2004, and the FFHC Rate per kilowatt hour, to be paid by VRESCO once it purchases power from FFHC in the year 2011.

GENCO CHARGES	Current NPC Rate (as of Aug. 2009)	NPC Filing in 2004	Proposed FFHC Rate (by 2011)
BILLING PARTICULARS	Rate, P/kWh	Rate, P/kWh	Rate, P/kWh
I. Generation Charge			
1. Generation Charge – TOU Energy	3.7255	4.5887	P4.1920
2. Franchise & Benefits to Host	0.0177	0.0177	0.0177
Communities Taxes (FBHC),P/kWh			

²³ A copy of the computation for the Weighted Average Cost of Capital is hereto attached as **Annex "L-4"**.

²⁴ A copy of the Projected Cash Flow Statement for the FFHC Power Plant Project is hereto attached as **Annex "L-5"**.

²⁵ A copy of the complete FFHC Audited Financial Statement as of June 30, 2009 is hereto attached as **Annex "L-6"**.

²⁶ A copy of the complete FFHC Audited Financial Statement as of June 30, 2008 is hereto attached as **Annex "L-7"**.

II. Deferred Accounting Adjustments (DAA)			
1a. 8 th GRAM DAA	0.0599		
1b. 7 th ICERA DAA	0.0278		
Total Amount before VAT	3.8309	4.6064	P4.2097
III. 12% VAT of Non-renewable Energy Gen. Charge	0.0654	0.0842	0.0000
Renewable Energy Mix 84.71%			
Non-Renewable energy mix – 15.29%			
10% VAT of VATable GRAM and ICERA	0	0	0
Total Monthly Power Rate	3.8963	4.6906	4.2097

On the basis of the foregoing comparative table, it is shown to the Honorable Commission that the Proposed FFHC rate is reasonable in comparison with the prevailing current NPC approved rates for the Visayas.

**ALLEGATIONS IN SUPPORT FOR THE PRAYER FOR
PROVISIONAL AUTHORITY
TO PURCHASE POWER AND RECOVER THE COSTS**

16. Section Twenty-Two of the PSA provides that, from the date of the execution of the PSA and until December 31, 2010, a provisional rate shall be charged for the power purchased by VRESCO from FFHC. The discounted rate per kWh shall be equivalent to ONE PERCENT (1%) lower than the weighted average discounted generation charges before the application of prompt payment discount (PPD) being paid by VRESCO to NPC. In view of the fact that VRESCO will receive a discount of ONE PERCENT, herein Joint Applicants submit that the PSA will be beneficial to the member consumers of VRESCO. Consequently, in order to allow VRESCO consumer members to avail this benefit, it is prayed that PROVISIONAL AUTHORITY be granted within thirty (30) days from the date of the filing of this application, thereby allowing VRESCO

to purchase available power from FFHC and recover the cost thereof.

17. In addition to the foregoing benefit to VRESKO member consumers, herein Joint Applicants manifest that the issuance of a PROVISIONAL AUTHORITY will further benefit the consumer members by way of fewer power interruptions and more stable power supply. Commencing January 2009 to the present, VRESKO has been subjected to frequent LOAD SHEDDING by NPC. This fact is supported by the Monthly Interruption Reports (MIR) and Computation of Power Reliability Indices covering the period of January to July 2009, attached hereto as follows:

- a) The Computation of Power Reliability Indices and the Interruption Report for January 2009;²⁷
- b) The Computation of Power Reliability Indices and the Interruption Report for February 2009;²⁸
- c) The Computation of Power Reliability Indices and the Interruption Report for March 2009;²⁹
- d) The Computation of Power Reliability Indices and the Interruption Report for April 2009;³⁰
- e) The Computation of Power Reliability Indices and the Interruption Report for May 2009;³¹
- f) The Computation of Power Reliability Indices and the Interruption Report for June 2009;³²
- g) The Computation of Power Reliability Indices and the Interruption Report for July 2009;³³ ,

²⁷ Copies of the Computation of Power Reliability Indices and the Interruption Report for January 2009 are hereto attached as Annexes "M," "M-1" and "M-2."

²⁸ Copies of the Computation of Power Reliability Indices and the Interruption Report for February 2009 are hereto attached as Annexes "N," "N-1" to "N-5."

²⁹ Copies of the Computation of Power Reliability Indices and the Interruption Report for March 2009 are hereto attached as Annexes "O," "O-1" to "O-7."

³⁰ Copies of the Computation of Power Reliability Indices and the Interruption Report for April 2009 are hereto attached as Annexes "P," "P-1" to "P-6."

³¹ Copies of the Computation of Power Reliability Indices and the Interruption Report for May 2009 are hereto attached as Annexes "Q," "Q-1" to "Q-6."

³² Copies of the Computation of Power Reliability Indices and the Interruption Report for June 2009 are hereto attached as Annexes "R," "R-1" to "R-2."

³³ Copies of the Computation of Power Reliability Indices and the Interruption Report for July 2009 are hereto attached as Annexes "S," "S-1" to "S-2."

18. As a direct result of the frequent load shedding activities of NPC, member consumers are regularly suffering from power interruptions that adversely affect their daily life and businesses. However, if the requested PROVISIONAL AUTHORITY is issued immediately, VRESCO's consumer members will immediately experience the advantage of having lesser power outages and having adequate power supply. This will ultimately improve the business climate and way of life of member consumers within the franchise area of VRESCO.

19. Finally, it is manifested that the immediate issuance of a Provisional Authority will be beneficial to VRESCO. The available power coming from FFHC will help VRESCO meet its annual energy requirement of 145,250,754 Kwh without over subscribing from NPC or its successors-in-interest. For the months of April to July 2009, NPC imposed penalties to VRESCO by way of Excess Energy Adjustment, that may be summarized as follows:

19.1. In **VRESCO's Power Bill for 26 April 2009 to 25 May 2009**,³⁴ the cooperative incurred a penalty of P421,641.82;

19.2. In **VRESCO's Power Bill for 26 May 2009 to 25 June 2009**,³⁵ the cooperative incurred a penalty of P358,987.20;

19.3. In **VRESCO's Power Bill for 26 June 2009 to 25 July 2009**,³⁶ the cooperative incurred a penalty of P136,630.97;

19.4. In **VRESCO's Power Bill for 26 July 2009 to 25 Aug 2009**,³⁷ the cooperative incurred a penalty of P356,054.45;

The foregoing penalties adversely affect the operations of VRESCO, as the funds that could have been used for VRESCO's operational needs, had to be paid to NPC just by way of Excess Energy Adjustment. With the issuance of a PROVISIONAL AUTHORITY, much needed additional power from FFHC will be made instantly

³⁴ A copy of VRESCO's Power Bill for 26 April 2009 to 25 May 2009 is hereto attached as **Annex "T."**

³⁵ A copy of VRESCO's Power Bill for 26 May 2009 to 25 June 2009 is hereto attached as **Annex "U."**

³⁶ A copy of VRESCO's Power Bill for 26 June 2009 to 25 July 2009 is hereto attached as **Annex "V."**

³⁷ A copy of VRESCO's Power Bill for 26 July 2009 to 25 August 2009 is hereto attached as **Annex "W."**

available to VRESCO, saving VRESCO from paying steep penalties charged by NPC due to OVERAGE in contracted energy.

PRAYERS


WHEREFORE, in view of all the foregoing, it is most respectfully prayed of this Honorable Commission that, within THIRTY (30) DAYS from the date of publication of this application, a PROVISIONAL AUTHORITY be issued allowing V-M-C Rural Electric Service Cooperative, Inc. to purchase available power from First Farmers Holding Corporation and recover the cost thereof, at the rate stated under Section Twenty-Two of the Power Supply Agreement.

It is further prayed of the Honorable Commission, that after due notice and hearing, the Power Sales Agreement dated 01 September 2009, between First Farmers Holding Corporation and V-M-C Rural Electric Service Cooperative, Inc., be APPROVED.

Other reliefs just and equitable and likewise prayed for:

Bacolod City for Pasig City, 02 November 2009.

DIAZ MAGASPAG CUAYCONG YEE & BORROMEO
Counsel for Applicants VRESCO and FFHC
Room 215, 2nd Floor, Capitol Subdivision Building
15th – Lacson Streets, Bacolod City
By:


RAYRANDO DIAZ II
Roll No. 44841
PTR No. 0881599-Jan. 01, 2009/Bacolod City
IBP No. 765882-Dec. 22, 2008/Bacolod City
MCLE Compliance No. II -0015631 22 Feb. 2009

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Negros Occidental

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Date: 104/10

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Negros Occidental

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▶ SANGGUNIANG BAYAN
Municipality of E.B. Magalona
Negros Occidental

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Date: _____

▶ SANGGUNIANG BAYAN
Municipality of Manapla
Negros Occidental

Received By: MA. DUNA DORODAS

Date: Jan. 5, 2010

▶ SANGGUNIANG BAYAN
Municipality of Calatrava
Negros Occidental

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Date: _____

▶ SANGGUNIANG BAYAN
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Date: Jan. 9, 2010

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Negros Occidental

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Negros Occidental

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Municipality of E.B. Magafona
Negros Occidental

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Date: 01/07/10

► SANGGUNIANG BAYAN
Municipality of Manapla
Negros Occidental

Received By: _____

Date: _____

► SANGGUNIANG BAYAN
Municipality of Calatrava
Negros Occidental

Received By: [Signature]

Date: 1/5/10

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Municipality of Toboso
Negros Occidental

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Date: 1/5/09

SB SEC