

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



**IN THE MATTER OF THE
APPLICATION FOR APPROVAL
OF THE LETTERS OF
AGREEMENT (LOAs) FOR
SUPPLY OF ELECTRIC ENERGY
WITH THE DISTRIBUTION
UTILITIES (DUs) IN THE
MINDANAO GRID, WITH
PRAYER FOR ISSUANCE OF
PROVISIONAL AUTHORITY
(PA)**

ERC CASE NO. 2020-016 RC

**POWER SECTOR ASSETS AND
LIABILITIES MANAGEMENT
CORPORATION (PSALM),**

Applicant.

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Promulgated:

March 31, 2021

ORDER

On 06 July 2020, Power Sector Assets and Liabilities Management Corporation (PSALM) filed an *Application*, dated 18 June 2020 (Application), seeking the Commission's approval of the Letters of Agreement (LOAs) for the Supply of Electric Energy it entered into with Distribution Utilities (DUs) in the Mindanao Grid, with prayer for provisional authority.

In the *Order* dated 13 October 2020, the Commission has set the instant *Application* for the determination of compliance with the jurisdictional requirements, expository presentation, pre-trial conference, and presentation of evidence on 08 January 2021 at PSALM's Principal Office.

During the 08 January 2021 hearing, only Power Sector Assets and Liabilities Management Corporation (PSALM) appeared thru Attys. Graciela Mona Lumang-Gutierrez and Cristina Lim.

In the said hearing, the Commission noted the Applicant's *Manifestation with Motion to Re-Schedule Hearing (Motion)* filed through electronic mail (e-mail) on 18 December 2020 of even date, with prayer to set the virtual hearing from 08 January 2020 (*sic*) to 23 February 2020 (*sic*) or a later date.

In its *Motion*, PSALM alleged, that its very limited manpower and resources, exacerbated by rotational schedules due to the pandemic, PSALM will not be able to comply with the requirements stated in the *Order*.

IN VIEW OF THE FOREGOING, the Commission finds the *Motion* of PSALM in order. Therefore, the same is hereby **GRANTED**.

ACCORDINGLY, the Commission hereby sets the instant *Application* for the determination of compliance with the jurisdictional requirements and expository presentation, Pre-Trial Conference, and presentation of evidence on the following dates and online platform for the conduct thereof pursuant to Resolution No. 09, Series of 2020¹, dated 24 September 2020:

Date	Online Platform	Activity
05 May 2021 (Wednesday) at nine o'clock in the morning (09:00 A.M.)	Microsoft Teams (MS Teams) Application	Determination of compliance with jurisdictional requirements and Expository Presentation
12 May 2021 (Wednesday) at nine o'clock in the morning (09:00 A.M.)	Microsoft Teams (MS Teams) Application	Pre-Trial Conference and Presentation of Evidence

PSALM is directed to host the hearing at **PSALM'S Principal Office at the 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City** and ensure that the same is open to the public and

¹ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

that community quarantine guidelines are observed at all times. Moreover, PSALM shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

RELATIVE THERETO, PSALM is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* twice (2x) in a newspaper of nationwide circulation in the Philippines at its own expense, with the date of 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 Virtual Hearing* the Offices of the Provincial Governor, the Municipal Mayors, and the Local Government Unit (LGU) legislative bodies within the affected areas for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within the affected area of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon, by any other means available and appropriate;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire to send their duly authorized representatives at the scheduled hearings; and
- 5) Furnish with copies of the *Application* and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within five (5) calendar days prior to the date of the virtual hearing, PSALM must submit to the Commission via electronic mail (e-mail) at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph, the scanned copies of 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 Virtual Hearing* consisting of the affidavits of the Editors or Business Managers of the newspaper where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors, and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by PSALM to inform the consumers affected of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, 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.

Moreover, PSALM is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publication and certifications issued by the concerned Office of the Mayors, or Provincial Governor and Local Legislative Bodies, and to submit proof of its posting thereof.

PSALM and all interested parties are also required to submit via e-mail at doCKET@erc.ph, copy furnish the Legal

Service through legal@erc.ph, at least five (5) calendar days before the date of the scheduled virtual hearing and Pre-trial Conference, their respective Pre-Trial Briefs containing, among others:

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

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

Failure of PSALM 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.

PSALM must also be prepared to make an expository presentation of the instant *Application*, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Application* with relevant information and pertinent details substantiating the reasons and justifications being cited in support thereof.

PSALM is hereby directed to file a copy of its Expository Presentation via e-mail at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days prior to the scheduled virtual hearing. PSALM shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, at least five (5) calendar days prior to the scheduled virtual hearing.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via e-mail at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

PSALM is hereby directed to submit, either through personal service, registered or ordinary mail/private courier, one (1) set of the original or certified true hard/printed copy/ies of their Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavit/s of witness/es, within five (5) working days from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission. Similarly, all interested parties who filed their Petition for Intervention or Opposition are required to submit the hard/printed copy thereof within the same period through any of the available modes of service.

Finally, Applicant, including their authorized representative/s and witness/es, are hereby directed to provide the Commission, thru legal.virtualhearings@erc.ph, with their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

SO ORDERED.

Pasig City, 29 March 2021.

FOR AND BY AUTHORITY
OF THE COMMISSION:


AGNES VST DEVANADERA
Chairperson and CEO

LS: JMS/CLB/MCCG

Copy Furnished:



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2. Power Sector Assets and Liabilities Management Corporation (PSALM)
3rd Floor, National Transmission Corporation(TransCo) Building
Power Center, Quezon Avenue, Corner BIR Road, Diliman, Quezon City
3. Cagayan Electric Power and Light Company, Inc. (CEPALCO)
33 Don Toribio Chavez St., Cagayan de Oro City
4. Cotabato Electric Cooperative, Inc. (COTELCO)
Midsayap, Cotabato
5. Office of the Solicitor General
134 Amorsolo Street, Legaspi Village, Makati City, Metro Manila
6. Commission on Audit
Commonwealth Avenue, Quezon City, Metro Manila
7. Senate Committee on Energy
GSIS Building, Roxas Boulevard, Pasay City, Metro Manila
8. House Committee on Energy
Batasan Hills
Quezon City, Metro Manila
9. President
Philippine Chamber of Commerce and Industry (PCCI)
McKinley Hill, Fort Bonifacio Taguig
10. Office of the City Mayor
Makati City
11. Office of the LGU Legislative Body
Makati City
12. National Grid Corporation of the Philippines
NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City
13. Regulatory Operations Services
Energy Regulatory Commission
17th Floor Pacific Center Building, San Miguel Avenue,
Ortigas Center, Pasig City