

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 (PSA) BETWEEN
ZAMBOANGA CITY ELECTRIC
COOPERATIVE, INC.
(ZAMCELCO) AND MAPALAD
POWER CORPORATION (MPC),
WITH PRAYER FOR
PROVISIONAL AUTHORITY

ERC CASE NO. 2015-114 RC

ZAMBOANGA CITY ELECTRIC
COOPERATIVE, INC.
(ZAMCELCO) AND MAPALAD
POWER CORPORATION (MPC),
Applicants.

DOCKETED
Date: JUL 06 2015
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NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on June 11, 2015, Zamboanga City Electric Cooperative, Inc. (ZAMCELCO) and Mapalad Power Corporation (MPC) filed a joint application for the approval of their Power Sales Agreement (PSA), with prayer for provisional authority.

In the said joint application, ZAMCELCO and MPC alleged, among others, the following:

1. ZAMCELCO is a non-stock, non-profit electric cooperative organized and existing under and by virtue of Presidential Decree No. 269, as amended, with office address at MCLL Highway, Putik, Zamboanga City. It has a franchise to distribute electricity in the City of Zamboanga.

A copy of its Certificate of Franchise is attached to the joint application as Annex "A";

2. MPC is a generation company duly authorized and existing under and by virtue of the laws of the Republic of the Philippines, with principal address at 4th Floor, Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati City.

Copies of its Certificate of Incorporation, Articles of Incorporation and By-Laws and latest General Information Sheet are attached to the joint application as Annex "B" and series;

NATURE OF THE APPLICATION

3. Pursuant to Rule 20 (B) of the ERC Rules of Practice and Procedure approved by the Commission on June 22, 2006 in Resolution No. 38, Series of 2006, the instant joint application is submitted to the Commission for its review and approval.

A copy of the PSA is attached to the joint application as Annex "C";

COMPLIANCE WITH PRE-FILING REQUIREMENTS

4. In compliance with Rule 6 of the ERC Rules of Practice and Procedure, they have furnished the Sangguniang Panlungsod of Zamboanga City a copy of the present joint application with all its annexes and accompanying documents.

The corresponding proof of receipt is attached to the joint application as Annex "D";

5. They have caused the publication of the instant joint application in its entirety, excluding its annexes, in a newspaper of general circulation within ZAMCELCO's franchise area.

Copies of the newspaper and the corresponding Affidavit of Publication are attached to the joint application as Annexes "E" and "E-1," respectively;

STATEMENT OF FACTS

6. **Shortage of Power Supply in the Mindanao Grid.** The Mindanao Grid is currently facing a deficit in its power supply, which is certain to worsen over time. The generating capacity in the Grid is no longer sufficient to meet the power requirements of Mindanao;
7. The Power Sector Assets and Liabilities Management Corporation (PSALM), which took over all the generating assets of the National Power Corporation (NPC) pursuant to Republic Act No. 9136, supplies the power requirements of Mindanao;
8. PSALM has drastically reduced its power supply commitments to distribution utilities in Mindanao, including ZAMCELCO;
9. As a result, Mindanao has experienced significant power outages, adversely affecting local businesses and the daily lives of all electricity consumers. The lack of sufficient and reliable power supply has long been a barrier to much needed capital investment that would spur the local economy;
10. **Insufficiency of ZAMCELCO's Power Supply.** At present, ZAMCELCO's power supply is far from sufficient to meet the power requirements of Zamboanga City. For the past weeks, ZAMCELCO's customers had to endure as much as an average of five (5) to eight (8) hours of daily rotational brownouts;
 - 10.1. ZAMCELCO has a total demand of around 90 MW for the month of May 2015. However, the total contracted supply available to ZAMCELCO is only 67.5 MW based on the following contracted capacity:

- a. From PSALM, 31.50 MW;
 - b. From Therma Marine, Inc. (TMI), 18 MW; and
 - c. From MPC, through its bunker C-fired diesel power plant in Iligan City, 18 MW;
- 10.2. Comparing ZAMCELCO's demand with its total contracted capacity, ZAMCELCO has a deficiency of 22.5 MW for May 2015;
- 10.3. The deficiency is expected to increase in the next two (2) months as the contracted capacity with PSALM is significantly lower for the months of June at 22.8 MW and July at 27.2 MW.

A copy of PSALM's letter to ZAMCELCO dated November 5, 2014 showing PSALM's contracted capacity is attached to the joint application as Annex "F";

- 10.4. **Supply from PSALM.** PSALM, on several occasions, was not able to supply its contracted supply in full. For instance, as mentioned earlier, PSALM's contracted supply for May 2015 is 31.5 MW. However, at times, PSALM's supply in May was as low as 23 MW. This failure to deliver the full contracted capacity worsens the insufficiency of supply;
- 10.5. As a consequence, ZAMCELCO's supply deficiency results in daily rotational brownouts averaging five (5) to eight (8) hours; and
- 10.6. **NPC Certification.** ZAMCELCO has requested certification from NPC on whether its contracted capacity and energy are expected to be available for ZAMCELCO during the term of the PSA.

A copy of the said request is attached to the joint application as Annex "G";

11. **ZAMCELCO's Demand Projections.** The shortage is expected to increase due to the steadily increasing power demand of ZAMCELCO's customers. The expected increase is indicated in ZAMCELCO's Distribution Development Plan (DDP).

A copy of ZAMCELCO's DDP is attached to the joint application as Annex "H". A copy of its supply-demand projections is attached to the joint application as Annex "H-1";

12. **Immediate Need for Power Supply.** ZAMCELCO's customers have to endure as much as an average of five (5) to eight (8) hours of daily rotational brownouts. This has caused great difficulty not only to the residents of Zamboanga City but to local businesses as well;

13. It is clear that ZAMCELCO needs to procure additional power supply that can be available at the soonest possible time;

14. **Non-firm Supply Arrangement.** Cognizant of ZAMCELCO's urgent need for immediately available power supply, MPC offered to supply power on a non-firm basis from its diesel-fired power stations in Koronadal, South Cotabato and in Digos, Davao Del Sur;

15. The said power stations are currently committed to supply power to their respective host distribution utilities. MPC may make the necessary arrangements with the said host utilities for the use of any unutilized capacity to supply power to ZAMCELCO. As the said power stations are already in operation, such supply arrangement may be the most immediately available means of providing additional power supply to ZAMCELCO;

16. ZAMCELCO evaluated the offer and as a result, it executed the PSA with MPC for the supply of power on a non-firm basis.

An affidavit supporting the foregoing is attached to the joint application as Annex "I";

17. The immediate implementation of the PSA will help alleviate the power outages;
18. Under the law, no contract for the supply of power to a distribution utility, like ZAMCELCO, can become legally effective unless approved by Commission. Hence, the instant joint application;

**ABSTRACT OF THE POWER SALES AGREEMENT
AND RELATED INFORMATION**

19. **The Generation Facilities.** Under the PSA, MPC shall supply power on a non-firm basis from either or both of the two (2) power stations with leased diesel-fired power generating units:

- a) a power station in Barangay Morales, Koronadal City, South Cotabato with a total net output of 12 MW (Koronadal Power Station).

The said Power Station consists of thirteen (13) units of diesel generator sets and auxiliaries, with a total installed capacity of 1,070 kW per unit; four (4) units each of transformers and of diesel fuel tank with auxiliaries; one (1) unit each of control room, switch gear and oil water separator; two (2) units of 1,000 c.m. water tanks; one (1) unit each of workshop and of office; and a transmission line from the said Power Station to the host distribution utility's substation.

- b) a power station in Barangay Cogon, Digos City, Davao del Sur with a total net output of 15 MW (Digos Power Station).

The said Power Station consists of sixteen (16) units of diesel generator sets and auxiliaries, with a total installed capacity of 1,070 kW per unit; four (4) units of transformer package; one (1) unit each of control room, switch gear and oil water separator; diesel fuel tanks with auxiliaries and water tanks; one (1) unit each of workshop and of office; and a

transmission line from the said Power Station to the host distribution utility's substation.

20. The total net generating outputs of the Koronadal and the Digos Power Stations are currently committed for the supply of power to South Cotabato I Electric Cooperative, Inc. (SOCOTECO I) and Davao del Sur Electric Cooperative, Inc. (DASURECO), respectively, under their supply contracts with MPC;

21. The Specific Fuel Oil Consumption (SFOC) of each Power Station shall not be greater than 0.265 liter/kWh at site condition of 32 deg. C ambient temperature. The SFOC is based on use by each Power Station of the diesel fuel with a density of 0.85 kilogram/liter.

Copies of the Certifications on the SFOC rates of the Power Stations are attached to the joint application as Annexes "J" and "J-1";

22. **Salient Features of the PSA.** Under the PSA, MPC shall exercise best efforts to make the necessary arrangements to utilize available capacity, if any, of the Koronadal and Digos Power Stations to supply ZAMCELCO on a non-firm basis;

23. The additional supply is intended to help immediately alleviate the power outages in Zamboanga through available capacity from the said plants.

23.1. **Non-Firm Nature of Supply.** In essence, if at any point, ZAMCELCO has unserved power requirements, it may request MPC for supply and MPC may, if it has available capacity from the said power stations, supply such requirements;

23.2. As it is a non-firm contract, ZAMCELCO shall not be liable for any failure or refusal to request supply. Neither shall MPC be liable for any failure to deliver the requested supply;

23.3. **Commencement Date.** The foregoing arrangement shall commence on the date designated by MPC as

the date on which it may commence supplying power.

23.4. **Term.** The PSA shall expire on December 31, 2015 unless otherwise renewed or extended by mutual agreement of the parties or terminated earlier in accordance with the terms of the PSA; and

23.5. **Effective Date.** The obligations under the PSA shall become effective upon the Commission's approval or confirmation that ZAMCELCO may purchase power from MPC as provided in the PSA;

24. **Purchased Power Rate for the Koronadal and Digos Power Stations.** For such supply, ZAMCELCO shall pay the monthly payments based on the following formulas:

I. **Monthly Payments**

The Monthly Payments shall be paid to the Seller on a monthly basis in accordance with the following formula:

$$\text{Monthly Payments} = \text{CRF} + \text{FOMF} + \text{VOMF} + \text{AFC} + \text{SC} + \text{Others Costs} + \text{Taxes}$$

Where:

CRF = Capital Recovery Fees

FOMF = Fixed Operation and Maintenance Fee

VOMF = Variable Operation and Maintenance Fee

AFC = Actual Fuel Cost

SC = Start-Up Costs

Other Costs= Additional fees, taxes and charges for the procurement, management and all other activities necessary for the supply of the Nominated Capacity and Dispatchable Energy

Taxes = Value Added Tax, other applicable taxes and government impositions, if any

1.1 Capital Recovery Fee (CRF)

CRF shall be computed as follows:

$$CRF = \left[CRFR \times \left(0.84 \times \frac{USD_n}{USD_0} \right) + 0.16 \right] \times ED$$

Where:

CRF = Capital Recovery Fee, in Pesos

CRFR = Capital Recovery Fee Rate, in PhP/kWh

$$= \frac{X}{(\text{hours in the Billing Month})}$$

USD_n = Average USD-Peso Exchange Rate for the month as published by Bangko Sentral ng Pilipinas

USD₀ = USD-Peso Exchange rate is at PhP41/USD1

ED = kWh delivered during the Billing Month

X = Approved CRF Rate for the Koronadal Power Station or for the Digos Power Station, as indicated in Section 1.8 (*Rate Table*) below.

1.2 Fixed Operation & Maintenance Fee (FOMF)

The FOMF covers the operating and maintenance costs of the MPC Power Station. It shall be computed according to the following formula:

$$FOMF = \left\{ FOMR \times \left[\left(0.11 \times \frac{CPI_n}{CPI_0} \right) + \left(0.89 \times \frac{USD_n}{USD_0} \times \frac{USPPI_n}{USPPI_0} \right) \right] \right\} \times ED$$

Where:

FOMF = Fixed O&M Fee, in Pesos

FOMFR = FOMF Rate, in PhP/kWh

$$= \frac{Y}{(\text{hours in the Billing Month})}$$

ED = kWh delivered during the Billing Month

CPI_n = Consumer Price Index for Metropolitan Manila Area (National Capital Region), all items published by NEDA/NSO for the period of price determination

CPI_o = Consumer Price Index for Metropolitan Manila Area (National Capital Region), all items published by NEDA/NSO for **September 2013 (at 126.9, 2006 = 100)**

USD_n = Average USD-Peso Exchange Rate for the month as published by Bangko Sentral ng Pilipinas

USD_o = USD-Peso Exchange rate is at **PhP41/USD1**

USPPI_n = United States Producers' Price Index for Industrial Goods (63a) for the period of price determination as published in the International Financial Statistics of IMF (2005 = 100)

USPPI_o = United States Producers' Price Index for Industrial Goods (63a) for **July 2013 (at 127.2, 2005 = 100)** as published in the International Financial Statistics of IMF

Y = Approved FOMF Rate for the Koronadal Power Station or for the Digos Power Station, as indicated in Section 1.8 (Rate Table) below.

1.3 Variable Operation & Maintenance Fee (VOMF)

The VOMF covers the cost of the use of, among other items, chemicals, lubricants and spare parts, that are directly related to the

generation of the MPC Power Station. It shall be computed according to the following formula:

$$VOMF = \left[VOMFR \times \left(\frac{USD_n}{USD_o} \times \frac{USPPI_n}{USPPI_o} \right) \right] \times ED$$

Where:

VOMF = Variable O&M Fee, in Pesos

VOMFR = Z = Approved VOMF Rate for the Koronadal Power Station or for the Digos Power Station, as indicated in Section 1.8 (*Rate Table*) below

ED = kWh delivered during the Billing Month

USD_n = Average USD-Peso Exchange Rate for the month as published by Bangko Sentral ng Pilipinas

USD_o = USD-Peso Exchange rate is at **PhP41.00/USD1**

USPPI_n = United States Producers' Price Index for Industrial Goods (63a) for the period of price determination as published in the International Financial Statistics of IMF (2005 = 100)

USPPI_o = United States Producers' Price Index for Industrial Goods (63a) for **July 2013 (at 127.2, 2005 = 100)** as published in the International Financial Statistics of IMF

Z = Approved VOMF Rate for the Koronadal Power Station or for the Digos Power Station, as indicated in Section 1.8 (*Rate Table*) below

1.4 Actual Fuel Cost (AFC)

The Actual Fuel Cost (AFC) is the fee paid to the Seller as payment for the procurement and delivery of the fuel oil (Diesel) used in the operation of the Modular Power Station. The Actual Fuel Cost shall be computed as follows:

$$AFC = FCR \times \text{Specific Fuel Oil Consumption} \times ED$$

Where:

FCR = Fuel Price of Diesel Fuel Oil based on the weighted average of all fuel delivered during the billing period

Specific Fuel Oil Consumption = 0.265 liter/kWh

ED = kWh delivered during the billing period

1.5 Start-Up Costs (SC)

The Buyer, on a pro rata basis of the capacity of the Power Station allocated to the Buyer, shall pay the Seller Start-Up Costs for the cost of starting up the Modular Power Station after a period of shutdown due to any reason attributable to the Buyer of the Seller. The Start-Up Costs shall be computed based on the prevailing price of diesel fuel at the time of the Start-Up and paid in accordance with the following:

$$SC = \left(\frac{\text{Liters of fuel consumed during cold start}}{\text{x No. of Generator Set x Fuel Price}} \right) + \left(\frac{\text{Liters of fuel consumed during warm start}}{\text{x No. of Generator Set x Fuel Price}} \right)$$

Type of Start-Up	Liters of Diesel Fuel Per Generator Set
Cold Start-Up (more than or equal to 10 hours of shutdown)	60
Warm Start-Up (less than 10 hours of shutdown)	40

1.6 Other Charges

The Buyer shall pay a Handling Fee of PhP0.15/kWh and other applicable taxes, fees and charges for the procurement, management and all other activities necessary for the supply of Nominated

Capacity and Dispatchable Energy throughout the Term of this Agreement.

1.7 Value Added Tax (VAT)

The relative VAT of the above fee payments twelve percent (12%) shall be computed as follows:

$$VAT = (CRF + FOMF + VOMF + AFC + SC + Other Charges) \times 0.12$$

1.8 Rate Table

Item	Description	Unit	Koronadal Power Station	Digos Power Station
X	CRF	PhP/kW.month	617.95	668.97
Y	FOMF	PhP/kW.month	193.08	194.38
Z	VOMF	PhP/kWh	0.56	0.59
	AFC	PhP/kWh	Pass through, subject to efficiency cap	Pass through, subject to efficiency cap

24.1. For reference, a sample computation of the monthly payment contained in Schedule C of the PSA;

24.2. **Basis for indexation.** As indicated in the formulae above, the monthly fees to be paid by ZAMCELCO are subject to adjustments based on various indices or factors in order to properly reflect the fluctuation of MPC's costs in supplying electricity;

24.3. The components of the tariff representing foreign currency-denominated costs are adjusted based on the foreign exchange rate and the applicable foreign price indices; those representing local costs are adjusted based on local price indices. The Actual Fuel Costs vary based on the applicable fuel cost index;

25. **Application of Final Approved Tariffs for the Power Stations.** The foregoing formulas reflect the tariffs

approved by the Commission for the Koronadal Power Station in its Decision dated March 31, 2014 in ERC Case No. 2013-190 RC and for the Digos Power Station in its Decision dated March 31, 2014 in ERC Case No. 2013-217 RC;

26. In addition, the formulas also reflect a reasonable fee to compensate for the procurement, arrangement, management, and all other activities necessary for the non-firm supply, as well as the assumption of risks attendant thereto;
27. It is the intention of the parties to apply the final approved tariffs for the Koronadal and the Digos Power Stations, as the case may be, as the cost of power supply under the PSA;
28. Thus, in order to properly reflect the tariffs finally approved by this Honorable Commission, the parties shall effect the necessary adjustments in the event that this Honorable Commission makes further modifications to the tariffs in resolving pending motions for reconsideration of the said Decisions;
29. **Sources of Funds/Financial Plans.**
 - 29.1. **Project Costs.** Breakdowns of the total project costs for the Koronadal and Digos Power Stations are attached to the joint application as Annexes "K" and "K-1," respectively; and
 - 29.2. **Project Funding.** The said projects were funded entirely through equity. Thus, there was no interest cost since MPC did not obtain any loan to finance the projects. Moreover, the cost of capital for both projects was fifteen percent (15%);
30. **Cash Flow.**
 - 30.1. **Breakdown of Operating and Maintenance Expenses.** Detailed breakdown of the projected operating expenses for the Koronadal and the Digos

Power Stations are attached to the joint application as Annexes "L" and "L-1," respectively;

31. **Fuel Supply.** In order to ensure the supply of fuel for the operations of the Power Stations, offers were solicited from reputable fuel suppliers. As a result, fuel supply contracts were negotiated and signed with the supplier which offered the best terms for fuel supply.

31.1. It must be stressed that, in accordance with the relevant policy of the Commission, MPC derives no revenue whatsoever from the fuel supply.

Copies of the relevant fuel supply agreements are attached to the joint application as Annexes "M" and "M-1";

32. **Environmental Compliance Certificates (ECCs).** The Department of Environment and Natural Resources (DENR) has issued the necessary ECCs covering the Koronadal and the Digos Power Stations.

Copies of the said ECCs are attached to the joint application as Annexes "N" and "N-1";

33. **Department of Energy (DOE) Certification.** The DOE has certified that the capacities of the Koronadal and the Digos Power Stations are consistent with its Power Development Plan (PDP).

Copies of the relevant certifications are attached to the joint application as Annexes "O" and "O-1";

34. **Certificate of Compliance (COC).** The Commission has issued the necessary COCs for the Koronadal and the Digos Power Stations.

Copies of the said certificates are attached to the joint application as Annexes "P" and "P-1";

**RATE IMPLICATIONS
 OF THE POWER SALES AGREEMENT**

35. In order to determine the impact of the implementation of the PSA on ZAMCELCO's Generation Costs, an analysis was conducted taking into consideration ZAMCELCO's projected demand and available supply from approved supply contracts over the contract term.

A copy of the said analysis is attached to the joint application as Annex "Q";

36. As shown by the analysis, the procurement of additional supply from MPC under the PSA will reduce the power outages in Zamboanga City and will result in an upward adjustment of the total generation costs to be paid by ZAMCELCO's member-consumers;

37. A summary of the said analysis is shown by the table below:

Month	Without PSA	Outages (Est.)	With PSA	Outages (Est.)	Outage Reduction	Rate Impact
	PhP/kWh	Hours	PhP/kWh	Hours	Hours	PhP/kWh
Jul	5.8631	6.92	6.3700	5.77	1.15	0.5069
Aug	5.4403	4.45	5.7624	3.30	1.15	0.3221
Sep	5.3707	4.65	5.7151	3.50	1.15	0.3443
Oct	5.4900	4.81	5.8543	3.66	1.14	0.3643
Nov	5.2733	3.19	5.5443	2.05	1.14	0.2710
Dec	5.4054	3.26	5.6981	2.13	1.13	0.2927

Notes and assumptions:

1. Only supply from the Commission-approved power supply contracts are assumed.
2. Under the "Without PSA" Scenario, the suppliers are PSALM, TMI and MPC (firm supply from its Bunker C-fired plant in Iligan).
3. Under the "With PSA" Scenario, the suppliers are PSALM, TMI and MPC (firm supply from its Bunker C-fired plant in Iligan, and non-firm supply under the PSA).
4. The actual available supply from the Koronadal and the Digos Power Stations for the period from April 28 to May 25, 2015 is assumed to be available in the succeeding months.

5. The contracted generation companies are assumed to be able to supply from their respective contracted capacities in full.
6. The assumed tariffs for TMI and MPC (from its Bunker C-fired plant in Iligan) are based on ZAMCELCO's actual purchases over a twelve (12)-month period from May 2014 to April 2015, with assumed line losses of 4.35%. The assumed tariff for PSALM is PhP3.00/kWh.
7. For the tariff under the PSA, the following were used and assumed to apply uniformly over the simulation period: (a) Consumer Price Index (CPI) value for April 2015; (b) foreign exchange rate as of May 25, 2015, per Bangko Sentral ng Pilipinas (BSP); (c) US Producers' Price Index value for December 2014; and (d) the latest available fuel price at PhP29.00/li.

ALLEGATIONS IN SUPPORT OF
THE MOTION FOR PROVISIONAL AUTHORITY

38. As discussed above, ZAMCELCO's current power supply is not sufficient to meet its total power requirements, resulting in substantial power outages in ZAMCELCO's franchise area and adversely affecting its Industrial, Commercial and Residential power consumers;
39. Hence, it is imperative that ZAMCELCO contracts for additional power supply that can be available at the soonest possible time;
40. An immediately available means to help alleviate ZAMCELCO's power shortage is the supply of power from MPC's existing diesel-fired power stations in Koronadal, South Cotabato and Digos, Davao del Sur. Considering that the distribution utilities to whom the capacities of these power stations are dedicated do not always fully utilize such capacities, the parties may, through the PSA, avail of the unutilized contracted capacity when available;
41. Thus, the immediate implementation of the PSA will help alleviate the power outages in ZAMCELCO's franchise area by providing much needed additional supply;
42. In view of the foregoing, they move for the provisional approval of the instant joint application pursuant to Rule 14 of the Commission's Rules of Practice and Procedure.

A copy of a sworn statement supporting the said motion is attached to the joint application as Annex "R"; and

43. They pray that the Commission:

- a. immediately issue an Order provisionally approving the PSA subject of the instant joint application as well as the Generation rate and adjustment mechanisms indicated therein; and
- b. after due hearing, render judgment making such provisional approval permanent.

The Commission has set the said joint application for jurisdictional hearing, pre-trial conference, expository presentation and evidentiary hearing on **August 6, 2015 (Thursday) at nine thirty in the morning (9:30 A.M.) at ZAMCELCO's Main Office, MCLL Highway, Putik, Zamboanga City.**

All persons who have an interest in the subject matter of the proceeding may become a party by filing, at least five (5) days prior to the initial hearing and subject to the requirements in the ERC's Rules of Practice and Procedure, a verified petition with the Commission giving the docket number and title of the proceeding and stating: (1) the petitioner's name and address; (2) the nature of petitioner's interest in the subject matter of the proceeding, and the way and manner in which such interest is affected by the issues involved in the proceeding; and (3) a statement of the relief desired.

All other persons who may want their views known to the Commission with respect to the subject matter of the proceeding may file their opposition to the joint application or comment thereon at any stage of the proceeding before the applicants conclude the presentation of their evidence. No particular form of opposition or comment is required, but the document, letter or writing should contain the name and address of such person and a concise statement of the opposition or comment and the grounds relied upon.

All such persons who may wish to have a copy of the joint application may request the applicants, prior to the date of the initial hearing, that they be furnished with a copy of the joint application. The applicants are hereby directed to furnish all those making such request with a copy of the joint application and its attachments, subject to reimbursement of reasonable photocopying costs. Likewise, any such person may examine the joint application and

other pertinent records filed with the Commission during the usual office hours.

WITNESS, the Honorable Chairperson, **ZENAIDA G. CRUZ-DUCUT**, and the Honorable Commissioners, **ALFREDO J. NON**, **GLORIA VICTORIA C. YAP-TARUC**, **JOSEFINA PATRICIA A. MAGPALE-ASIRIT**, and **GERONIMO D. STA. ANA**, Energy Regulatory Commission, this 29th day of June, 2015 at Pasig City.


ATTY. FRANCIS SATURNINO C. JUAN
Executive Director III


MVA/NJS