

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



**IN THE MATTER OF THE APPLICATION FOR APPROVAL OF THE POWER PURCHASE AND SALE AGREEMENT (PPSA), AS AMENDED, BETWEEN PENINSULA ELECTRIC COOPERATIVE, INC. AND GNPOWER LTD. CO., WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION AND ISSUANCE OF PROVISIONAL AUTHORITY**

**ERC CASE NO. 2016-036 RC**

**PENINSULA ELECTRIC COOPERATIVE, INC. (PENELCO) AND GNPOWER LTD. CO. (GNPOWER), Applicants.**

**D O C K E T E D**

**Date: JUN 01 2016**

**By: [Signature]**

**X ----- X**

**NOTICE OF PUBLIC HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 04 April 2016, the Peninsula Electric Cooperative, Inc. (PENELCO) and GNPower Ltd. Co. (GNPOWER) filed an Application for approval of the power purchase and sale agreement (PPSA), as amended, with motion for confidential treatment of information and issuance of provisional authority.

In the said Application, PENELCO and GNPOWER alleged the following:

1. Applicant PENELCO is a non-stock, non-profit electric cooperative duly organized and existing under Philippine laws, with principal office at Roman Super Highway, Tuyos, Balanga City, Bataan. It is duly authorized to distribute electricity in

Dinalupihan, Hermosa, Orani, Samal, Abucay, Balanga City, Pilar, Orion, Limay, Mariveles, Bagac, and Morong, all in the Province of Bataan (collectively, the “Franchise Area”). A copy of its Certificate of Franchise is herein attached and forms an integral part hereof as **Annex “A”**;

2. Meanwhile, Applicant GNPOWER is a duly registered limited partnership organized and existing under Philippine laws, and is engaged in the business of developing, constructing, operating, and owning power generation facilities. Its principal office is at the 28<sup>th</sup> Floor, The Orient Square Building, Don Francisco Ortigas Jr. Road, Ortigas Center, Pasig City. Copies of its Certificate of Registration issued by the Securities and Exchange Commission (SEC) and Amended Articles of Partnership are herewith attached and made integral parts hereof as **Annexes “B” and “B-1”**, respectively;

3. Applicants may be served with orders, notices and other legal processes of this Honorable Commission through the respective addresses of the undersigned counsels;

4. By and pursuant to *Sections 25, 43 (u), and 45 (b) of Republic Act No. 9136*, otherwise known as the *Electric Power Industry Reform Act of 2001 (EPIRA)*, and its *Implementing Rules and Regulations*, this *Application* is submitted to this Honorable Commission for its due consideration and approval of the Power Purchase and Sale Agreement (PPSA), as amended, executed by and between Applicants PENELCO and GNPOWER;

#### **I. STATEMENT OF FACTS**

5. Based on its supply-demand forecast, PENELCO’s peak demand in 2015 is 77 MW, with an annual average growth rate of 5%. Therefore, its peak demand is expected to increase to 103 MW in 2020, and 122 MW by the year 2024;

6. In view of the increasing demand in its franchise area, PENELCO solicited proposals from potential suppliers for its future power requirements;

7. Two (2) potential suppliers were considered in the selection process to be evaluated under a least cost approach and on terms most advantageous to PENELCO;

8. After careful evaluation of the offer and proposal of GNPOWER which was also anchored on the results of the bidding that was conducted by the Central Luzon Electric Cooperatives Association First Luzon Aggregation (CLECAFLAG) where GNPower was awarded as the winning

proponent, the contract for a portion of the supply of PENELCO's power requirements was given to GNPOWER, as approved by PENELCO's board of directors;

9. Consequently, on 04 May 2015, PENELCO executed with GNPOWER the subject PPSA, a copy of which is herewith attached and forms an integral part hereof as **Annex "C"**. The PPSA was later amended to enhance its beneficial terms and conditions, particularly, towards providing competitively-priced power to PENELCO's consumers. A copy of the amendatory agreement to the PPSA is herewith attached and made integral part hereof as **Annex "C-1"**. The PPSA, whenever referred to hereunder, shall mean the PPSA as amended;

10. The PPSA, as amended, provides for GNPOWER's supply of PENELCO's future power requirements equivalent to 25 MW commencing in 2020, with the option to start delivery earlier than the target commercial operations, on an interim basis;

11. GNPOWER will deliver environmentally clean electric power from two (2) by 660 MW-net clean pulverized coal-fired electric power generation facility (hereinafter, the "Generation Facility"), which it will build, own, and operate in Barangay Alasasin, Municipality of Mariveles, Province of Bataan (the "Project").

## **II. ABSTRACT OF THE PPSA, AS AMENDED, AND OTHER RELATED INFORMATION**

12. The following are the salient features of the PPSA, as amended:<sup>1</sup>

- a. **TERM.** The PPSA, as amended, shall be in force for a period of one hundred and eighty (180) months from the date to be specified in the Commencement Date Notice;
- b. **SOURCE OF SUPPLY.** GNPOWER shall make available, sell, and deliver or cause to be delivered to PENELCO the Product at the Delivery Point, whether sourced from GNPOWER's facility or from other electricity generators, including the Wholesale Electricity Spot Market (WESM).

GNPOWER's facility shall be constructed and operated in Mariveles, Bataan.

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<sup>1</sup> Capitalized terms used but not defined herein have the meaning as defined in the PPSA.

- c. **CONTRACTED CAPACITY.**<sup>2</sup> PENELCO is contractually entitled to receive from GNPOWER, at any hour, subject to GNPOWER's Available Capacity for such hour, the Contracted Capacity, as follows:

<b>Year</b>	<b>Contracted Capacity (kW)</b>
<b>1</b>	25,000
<b>2</b>	30,000
<b>3</b>	35,000
<b>4</b>	40,000
<b>5</b>	45,000
<b>6</b>	50,000
<b>7</b>	55,000
<b>8</b>	60,000
<b>9</b>	65,000
<b>10</b>	70,000
<b>11</b>	75,000
<b>12</b>	80,000
<b>13</b>	85,000
<b>14</b>	90,000
<b>15</b>	95,000

The Minimum Quantity is a function of the Contracted Capacity and the Minimum Capacity Factor, taking into account GNPOWER's availability for a year multiplied by 8760 hours (which is the number of hours in a year).

*c.1. Option to Increase Contracted Capacity.* Section 2.7 of the PPSA, as amended, provides that upon written notice to GNPOWER, PENELCO may, upon approval by GNPOWER, increase its Contracted Capacity which increase shall be subjected to the same terms and conditions contained in the PPSA, as amended. In considering whether or not to approve the request for increase in Contracted Capacity, GNPOWER may take into consideration the capacity available for such increase from its facility in its sole opinion, and/or the willingness of any other buyer to assign its Contracted Capacity. Such increase in Contracted Capacity shall be effective on the date GNPOWER gives its written approval.

- d. **CONTRACT PRICE.** The Contracted Capacity shall be paid the Contract Price, which is

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<sup>2</sup> See Annex "C-1".

comprised of the Capacity Fee and Energy Fee, denominated in US Dollars, but may be paid in Philippine Peso (PhP). The calculation of the Contract Price for a particular Billing Period will be:

**Contract Price = Capacity Fee + Energy Fee**

*d.1* The *Capacity Fee* is the component of the Contract Price allocated to pay for the cost, as well as the operations and maintenance of the power plant and is designated as the Capacity Fee in *Schedule 1* (as amended), as such may be adjusted from time to time based on GNPOWER's Capacity Factor.

The corresponding Capacity Fee for a given Capacity Utilization Factor is set forth in the table below:

Capacity Utilization Factor (%)	Capacity Fee (\$/kWh)
100%	0.0466
99%	0.0470
98%	0.0474
97%	0.0477
96%	0.0481
95%	0.0485
94%	0.0489
93%	0.0493
92%	0.0497
91%	0.0502
90%	0.0506
89%	0.0510
88%	0.0515
87%	0.0519
86%	0.0524
85%	0.0529
84%	0.0534
83%	0.0539
82%	0.0544
81%	0.0549
80%	0.0555
79%	0.0561
78%	0.0567
77%	0.0573
76%	0.0579
75%	0.0585
74%	0.0592

73%	0.0599
72%	0.0606
71%	0.0613
70%	0.0621
69%	0.0629
68%	0.0637
67%	0.0645
66%	0.0653
65%	0.0662

In case the Capacity Utilization Factor is not a whole number, the Capacity Fee shall be computed using the formula below.

$$\text{Capacity Fee} = - 0.10773 \times (\text{CUF})^3 + 0.33975 \times (\text{CUF})^2 - 0.3932 \times (\text{CUF}) + 0.2078$$

Where:

**Capacity Fee** = is the Capacity Fee in \$/kWh

**CUF** = is the Capacity Utilization Factor between 65% and 100%, provided that if the actual CUF is below 65% (the "Minimum Capacity Utilization Factor"), the Capacity Price shall be calculated based on the Capacity Fee and quantity associated with the Minimum Capacity Utilization Factor.

The Capacity Utilization Factor (CUF) shall be computed as follows:

$$\text{Capacity Utilization Factor (CUF)} = \frac{Q}{CC \times (H_T - EH_{To})}$$

Where:

**Q** = Quantity of kWh

**CC** = Contracted Capacity, in kW, as set forth in Schedule 1

**H<sub>T</sub>** = Total number of hours in such Billing Period

**EH<sub>To</sub>** = the sum of the duration, in Equivalent Hours, of Scheduled Outages and Unscheduled Outages in such Billing Period

d.2. The *Energy Fee* is the component of the Contract Price allocated to pay for the coal, including Government Charges, designated as the Energy Fee in *Schedule 1* of the PPSA, as amended, as adjusted from time to time due to changes in the delivered price of the coal. The Energy Fee shall be computed in accordance with the following formula:

$$\text{Energy Fee} = \frac{\text{Initial Energy Fee} \times \text{CIF Cost of Fuel for Billing Period}}{\text{Base CIF Cost of Fuel}}$$

Where:

$$\text{Initial Energy Fee} = \$0.0370/\text{kWh}$$

$$\text{Base CIF Cost of Fuel} = \$11.5573/\text{million kcal}$$

- e. **PROMPT PAYMENT DISCOUNT (PPD).** Section 4.3 (c) of the PPSA, as amended, provides that if PENELCO pays the invoice amount in full within ten (10) days of receipt from GNPOWER, PENELCO shall receive a credit on the next subsequent bill equal to \$0.0012/kWh multiplied by the actual quantity of the Product actually delivered set forth in such invoice for the Billing Period for which the credit was earned;
- f. **CAPACITY UTILIZATION DISCOUNT.** Section 4.3 (d) of the PPSA, as amended, provides that if PENELCO pays the invoice amount in full in accordance with GNPOWER's invoice instructions on or before the twenty-fifth (25<sup>th</sup>) day of the succeeding calendar month from the relevant Billing Period and PENELCO's CUF is greater than or equal to 65%, aside from the PPD, PENELCO shall receive a credit on the next subsequent bill equal to 2.8% of the Energy Fee multiplied by the actual quantity of the Product actually delivered set forth in such invoice for the Billing Period for which the credit was earned;
- g. **SCHEDULED OUTAGES AND UNSCHEDULED OUTAGES<sup>3</sup>.** Pursuant to Section 2.2, GNPOWER is allowed Scheduled

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<sup>3</sup> See Annex "C-1".

Outage not to exceed five hundred forty (540) Equivalent Hours for each Contract Year, during which times reduced or no deliveries will be available to PENELCO. Likewise, GNPOWER is allowed Unscheduled Outage of five hundred forty (540) Equivalent Hours for each Contract Year during which times reduced or no deliveries will be available to the Buyer;

**III. ADVANTAGES OF GNPOWER’S SUPPLY OF POWER AND IMPACT ON PENELCO’S OVERALL RATES**

13. Currently, PENELCO receives a total of 68 MW from its existing suppliers, out of its peak requirement of 77 MW. With an annual average growth of 5%, PENELCO forecasts that by 2020, its peak demand has increased to 103 MW. Copies of PENELCO’s Demand-Supply Scenario from 2015 to 2024 and Historical and Forecasted Data for years 2010 to 2024 are herewith attached and form integral parts hereof as **Annex “D”**;

14. The additional supply from GNPOWER will, therefore, help alleviate and sustain the future power supply needs of the Luzon and Visayas Grids including the franchise area of PENELCO to prevent any likelihood of brownouts and power shortages;

15. Among alternative suppliers capable of providing additional energy to PENELCO, GNPOWER’s rates proved to be more reasonable and competitive. While GNPOWER’s offer to PENELCO is primarily intended for its base load requirements, the Capacity Factor Pricing under the PPSA, as amended, provides flexibility to PENELCO in its utilization of the Contracted Capacity;

16. PENELCO simulated a rate impact analysis which ultimately resulted in a reduction of PhP0.2101 per kWh with the execution of the PPSA with GNPOWER, as amended, to wit:

**Simulation of Generation Mix Rate with GNPower (Dinginin) for the Year 2019**

Power Supplier	Contracted Capacity, MW	Forecasted Quantity (kWh)	Amount (PhP)	Percent Share	Resulting Capacity Factor	GR <sub>Net</sub> PhP/kWh	Weighted Average Rate, PhP/kWh (VATex)
GMCP	58	32,364,000.00	153,211,176.00	44.36%	75%	4.2279	4.2397
SCPC	20	14,880,000.00	69,979,875.63	20.39%	100%	4.1990	
GNPower (Dinginin)	25	18,600,000.00	68,254,131.89	25.49%	100%	3.2775	



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WESM		7,120,080.00	52,054,904.88	9.76%		6.8915	
<b>TOTAL</b>		<b>72,964,080.00</b>	<b>343,500,088.40</b>	<b>100.00%</b>			

**Simulation of Generation Mix Rate without GNPower (Dingin) for the Year 2019**

Power Supplier	Contracted Capacity, MW	Forecasted Quantity (kWh)	Amount (PhP)	Percent Share	Resulting Capacity Factor	NET	Weighted Average Rate, PhP/kWh (VATex)
GMCP	58	43,152,000.00	178,353,321.35	59.14%	100%	3.6913	<b>4.4498</b>
SCPC	20	14,880,000.00	69,979,664.87	20.39%	100%	4.1991	
GNPower (Dingin)	25	-	-	0.00%	0%	0.0000	
WESM		14,932,080.00	109,168,266.28	20.46%		6.8915	
<b>TOTAL</b>		<b>72,964,080.00</b>	<b>357,501,252.50</b>	<b>100.00%</b>			

= **GENERATION RATE IMPACT 0.2101**

**Notes and Assumptions:**

1. June 2015 data are used as reference in this simulation with load factor = 76% & Max D = 77MW
2. 2019 as the test year with (conservative) projected demand at 98MW
3. The figures are blended rates, net of Discounts

17. A copy of PENELCOs' Rate Impact Analysis is attached herewith as **Annex "E"** and forms an integral part hereof;

18. Additionally, to support this *Application*, particularly the proposed rate structure, Applicants attach the following documents to form integral parts hereof, to wit:

ANNEX	DOCUMENT
"F"	Details of the PPSA, as amended
"F-1"	Discussion of Rate Calculation and Sample Computation
"G"	GNPOWER's Financial Assumptions including Project Cost, Sources of Financing, Debt-Equity Ratio, WACC computation, and Projected Equity IRR
"H"	Breakdown of Costs including Engineering, Procurement and Construction (EPC) Costs, Operations and Maintenance (O&M) Costs, and Projected Fuel Costs
"I"	Projected Balance Sheet, Income Statement, Revenue and Cash Flow
"J"	Details of Fuel Procurement
"J-1"	Sworn Statement – Coal Procurement Process
"K"	GNPOWER's 2014 Audited Financial Statement
"L"	GNPOWER's Power Project Description
"M"	GNPOWER's Transmission Plan for the Dingingin Project
"N"	Certificate of Endorsement from DOE that the

<b>ANNEX</b>	<b>DOCUMENT</b>
	Project is included in the DOE's Power Development Plan
<b>"N-1"</b>	Environmental Compliance Certificate from DENR
<b>"O"</b>	PENELCO's Average and Maximum Demand Charts for 2014 and 2015
<b>"O-1"</b>	PENELCO's Distribution Development Plan
<b>"P"</b>	GNPOWER's General Partners' Certificate on, among others, the authority to execute, ratify, accede, perform and deliver the PPSA with PENELCO, and the designation of duly authorized representatives for said purpose
<b>"Q"</b>	PENELCO's Secretary's Certificate/Board Resolution authorizing the approval and signing of the PPSA, including supplements and annexes, with GNPOWER; the designation of its President and/or General Manager to sign and execute these documents; and the submission of the PPSA for ERC's approval

19. Applicants PENELCO and GNPOWER reserve their right to submit other documents, either in the course of the hearing or as may be required by this Honorable Commission;

**IV. COMPLIANCE WITH PRE-FILING REQUIREMENTS**

20. Applicants manifest compliance with the pre-filing requirements mandated under *Rule 3, Section 4 (e)* of the *Implementing Rules and Regulations of the EPIRA* and *Rule 6* of the *2006 ERC Rules of Practice and Procedure*, to be established by the following:

- a. Certifications acknowledging receipt of this *Application* with annexes to be issued by the Legislative Bodies of the Province of Bataan, and the Cities of Balanga and Pasig where Applicants principally operate, to be appended as **Annexes "R", "S" and "T"**, respectively;
- b. Notarized Affidavit of Publication stating that this *Application* was published in a newspaper of general circulation within Applicants' Franchise Areas and/or area of principal operation, to be appended herein as **Annex "U"**; and
- c. Complete newspaper issue where this *Application* was published, to be appended as **Annex "U-1"**, and the relevant page thereof where the *Application* appears, as **Annex "U-2"**.

**V. MOTION FOR CONFIDENTIAL TREATMENT OF ANNEXES "G", "H", "I", and "J"**

21. Under *Rule 4 of the ERC Rules of Practice and Procedure*, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential, by describing with particularity the information to be treated as confidential, specifying the ground for the claim of confidential treatment of the information and, if applicable, specifying the period during which the information must not be disclosed;

22. Applicant GNPOWER most respectfully moves for the confidential treatment of **Annexes "G"<sup>4</sup>, "H"<sup>5</sup>, "I"<sup>6</sup>, and "J"<sup>7</sup>** hereof. These annexes, exclusively owned by Applicant GNPOWER, contain documents which are considered part of its business and trade secrets. As such, GNPOWER has the sole proprietary interest and will be unduly prejudiced should they be disclosed to the public;

23. These annexes contain numbers, data, formula, methodology, and calculations involving valuable and sensitive commercial, financial, and technological information reflecting GNPOWER's business operations and financial trade secrets. Therefore, the disclosure of GNPOWER's confidential, proprietary, and private information included in the aforesaid annexes should be protected from public dissemination. Otherwise, such information can be illegally and unfairly utilized by business competitors who may use the same for their own private gain and to the irreparable prejudice of GNPOWER. Negotiations with prospective customers may also be affected;

24. The information contained in **Annexes "G", "H", "I", and "J"**, constitute "trade secrets", for which GNPOWER has actual and valuable proprietary interest. As explained by the Supreme Court, a trade secret may consist of any formula, pattern, device, or compilation of information that is used in one's business and gives the employer an opportunity to obtain an advantage over competitors who do not possess the information<sup>8</sup>. It is indubitable that trade secrets constitute proprietary rights and jurisprudence has consistently acknowledged the private character of trade secrets<sup>9</sup>. Further,

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<sup>4</sup> GNPOWER's Financial Assumptions including Project Cost, Sources of Financing, Debt-Equity Ratio, WACC computation, and Projected Equity IRR

<sup>5</sup> Breakdown of Costs including Engineering, Procurement and Construction (EPC) Costs, Operations and Maintenance (O&M) Costs, and Projected Fuel Costs

<sup>6</sup> Projected Balance Sheet, Income Statement, Revenue and Cash Flow

<sup>7</sup> Details of Fuel Procurement

<sup>8</sup> *Air Philippines Corporation vs. Pennswell Inc.*, G.R. No. 172835, December 13, 2007.

<sup>9</sup> *Ibid.*,

as ruled in *Garcia vs. Board of Investments*<sup>10</sup>, trade secrets and confidential, commercial, and financial information are exempt from public scrutiny;

25. It is respectfully submitted that the aforementioned Annexes must be accorded confidential treatment. As such, they are to be used *exclusively* by the Honorable Commission and for the *sole* purpose of evaluating this *Application*, thereby protecting these data from unnecessary public disclosure;

26. In accordance with *Section 1(b), Rule 4 of the ERC Rules of Practice and Procedure*, Applicant GNPOWER hereby submits one (1) copy each of **Annexes “G”, “H”, “I”, and “J”**, in a sealed envelope, with the envelope and each page of the documents stamped with the word “*Confidential*”.

#### **VI. MOTION FOR THE ISSUANCE OF PROVISIONAL AUTHORITY**

27. All the foregoing allegations are re-pleaded by reference in support of this *Prayer* for provisional authority.

28. The basis by which Applicants PENELCO and GNPOWER pray for the issuance of a Provisional Authority or interim relief prior to final decision is *Rule 14 of the ERC Rules of Practice and Procedure*:

***“Section 3. Action on the Motion. – Motions for provisional authority or interim relief may be acted upon with or without hearing. The Commission shall act on the motion on the basis of the allegations of the application or petition and supporting documents and other evidences that applicant or petitioner has submitted and the comments or opposition filed by any interested person, if there be any.”*** [Emphasis Supplied]

29. Worthy of note is that based on the Department of Energy’s (DOE) 2015-2030 Luzon and Visayas Grids Supply-Demand Outlook, Luzon’s peak demand in 2015 is 8,974MW with an Annual Average Growth Rate (AAGR) of 4.25% while Visayas’ Peak Demand is 1,847MW with AAGR of 3.4%. Therefore, Luzon’s peak demand is expected to increase to 10,884MW in 2020, and to 16,165MW by the year 2030 and for Visayas, 2,042MW in 2020 and 3,025MW in 2030. This electricity demand growth has led to DOE’s call for planning and investments in the power sector;

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<sup>10</sup> 177 SCRA 374 (1989).

30. The continuous addition of supply shall help keep stable power supply for the increasing demand and low and stable cost of available power at the WESM and for the end-user;

31. Contributing to the Luzon's Grid's demand growth is PENELCO's peak load demand increases at a rate of 22.21% per year. By 2020, it is projected that PENELCO's existing power suppliers will not be able to meet the power needs of its member-consumers, which is expected to increase to 103 MW;

32. Thus, the PPSA with GNPOWER, as amended, is crucial for PENELCO to guarantee that its forward power needs are satisfied, without compromising the reasonableness of the generation rate to be passed on to its member-consumers;

33. While actual delivery of power under the terms and conditions of the PPSA, as amended, is expected to commence only in 2020, Applicants shall nonetheless begin its compliance with all financial and regulatory requirements and processes leading up to the timely installation of the Generation Facility;

34. It is worthy to note that part of the funds needed to construct GNPOWER's facility will be sourced from loans coming from banks/financial institutions. The Honorable Commission's provisional approval of the instant *Application* is a vital requirement for the release of the loan proceeds. Hence, a timely financial close ensures stable source of funds and timely construction of the generation facility, and the implementation of the PPSA, as amended, as contemplated by the Applicants;

35. With continuous financing, the timely implementation of the project shall be assured, to the full benefit of PENELCO. Otherwise, any delay in the implementation of the project shall expose PENELCO to supply risk and unstable market prices in the future;

36. To emphasize the necessity of the provisional approval of this *Application*, a Judicial Affidavit to support the prayer for provisional authority will be attached herewith to form an integral part hereof as **Annex "V"**;

37. In view thereof and in recognition of the fact that a substantial amount of time is customarily needed to evaluate the documents submitted to support the approval of this *Application*, Applicants PENELCO and GNPOWER respectfully seek the kind consideration of the Honorable

Commission to approve the instant *Application* immediately, albeit, provisionally;

**PRAYER**

**WHEREFORE**, premises considered, it is most respectfully prayed of this Honorable Commission that (i) all information set forth in **Annexes “G”, “H”, “I”, and “J”** to the instant *Application* be treated as confidential; (ii) pending hearing on the merits, a Provisional Authority be **DULY ISSUED** authorizing the immediate implementation of the subject Power Purchase and Sale Agreement (PPSA), as amended, including the rate structure therein, as applied; (iii) that after due notice and hearing, the instant *Application*, the PPSA, as amended, and the rate structure contained therein be **DULY APPROVED**.

Further, in the event that the Final Authority shall be issued after GNPOWER starts the actual delivery of power to PENELCO under the terms of the subject PPSA, as amended, said Final Authority shall be retroactively applied to the date of such actual delivery.

Other reliefs as may be just and equitable under the premises are, likewise, most respectfully prayed for.

The Commission has set the *Application* for determination of compliance with the jurisdictional requirements, Expository Presentation, Pre-trial Conference, and presentation of evidence on **13 July 2016 (Wednesday) at ten o'clock in the morning (10:00 A.M.) at the PENELCO's Principal Office, Roman Superhighway, Tuyo, Balanga City, Bataan.**

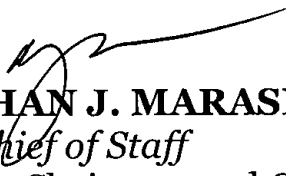
All persons who have an interest in the subject matter of the proceeding may become a party by filing, at least five (5) days prior to the initial hearing and subject to the requirements in the *ERC's Rules of Practice and Procedure*, a verified petition with the Commission giving the docket number and 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.

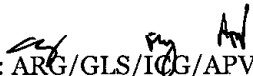
All other persons who may want their views known to the Commission with respect to the subject matter of the proceeding may file their opposition to the *Application* or comment thereon at any stage of the proceeding before the applicant concludes the presentation of its evidence. No particular form 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 wish to have a copy of the Application may request from the applicant that they be furnished with the same, prior to the date of the initial hearing. The applicant is hereby directed to furnish all those making such request with copies of the Application and its attachments, subject to the reimbursement of reasonable photocopying costs. Any such person may likewise examine the Application and other pertinent records filed with the Commission during standard office hours.

**WITNESS**, the Honorable Chairman **JOSE VICENTE B. SALAZAR**, 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 18<sup>th</sup> day of May 2016 at Pasig City.

  
**ATTY. NATHAN J. MARASIGAN**  
*Chief of Staff*  
Office of the Chairman and CEO

  
LS: ARG/GLS/ICG/APV