


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

IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE INTERIM  
POWER SUPPLY AGREEMENT  
(IPSA) BETWEEN MANILA  
ELECTRIC COMPANY  
(MERALCO) AND STRATEGIC  
POWER DEVT. CORP. (SPDC),  
WITH MOTION FOR  
CONFIDENTIAL TREATMENT  
OF INFORMATION,

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ERC CASE NO. 2017 - \_\_\_ RC

MANILA ELECTRIC COMPANY  
(MERALCO) AND STRATEGIC  
POWER DEVT. CORP. (SPDC),

*Applicants.*

X-----X

**JOINT APPLICATION**  
**(with Motion for Confidential Treatment of Information)**

Applicants **MANILA ELECTRIC COMPANY (“MERALCO”)**  
and **STRATEGIC POWER DEVT. CORP. (“SPDC”)**, through their  
respective undersigned counsel, respectfully state:

1. Applicant MERALCO is a private corporation existing  
under the laws of the Republic of the Philippines, with principal office  
located at Ortigas Avenue, Barangay Ugong, Pasig City. It may be  
served with notices and other processes of this Honorable  
Commission through its counsel at the address indicated herein.

2. MERALCO has a legislative franchise to operate and  
maintain a distribution system in the cities/municipalities of Metro  
Manila, Bulacan, Cavite and Rizal and certain cities, municipalities  
and barangays in Batangas, Laguna, Quezon and Pampanga,  
pursuant to Republic Act No. 9209, and is authorized to charge all its  
customers for their electric consumption at the rates approved by this  
Honorable Commission.

3. Applicant SPDC is a corporation duly organized and  
existing under the laws of the Republic of the Philippines, with its  
office address at 2/F, 808 Bldg, Meralco Ave. cor. Gen. Lim St., San

Antonio Village, Pasig City. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.

4. SPDC is the Independent Power Producer Administrator (“IPPA”) of the 345 MW San Roque hydroelectric power plant in Barangay San Roque, San Miguel, Pangasinan (the “Plant”).

5. MERALCO foresees a capacity deficit in its portfolio for the period of 28 January to 16 February 2017, due to the following:

5.1 The Shell Philippines Exploration B.V. (“SPEX”) Malampaya gas facility that supplies fuel to the Ilijan, Sta. Rita, San Lorenzo, Avion and San Gabriel power plants will be on maintenance shutdown. These power plants supply an aggregate capacity of 3,211 MW to the Luzon Grid, 2,565 MW of which is supplied to MERALCO’s franchise area.

5.2 The maintenance shutdown of the SPEX Malampaya gas facility will coincide with scheduled maintenance of other power plants and possible occurrences of forced plant outage.

6. In view thereof, and in order to mitigate exposure to the Wholesale Electricity Spot Market (“WESM”) and to provide additional capacity for such period that could contribute to the availability and affordability of the supply of electricity to MERALCO’s customers, there is a need for MERALCO to source the corresponding deficiency through interim bilateral supply contracts with power suppliers who have available capacity.

7. Under Section 45(b) of Republic Act No. 9136 (“EPIRA”), it is provided that *“Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC xxx”*.

8. Thus, in accordance with ERC Resolution No. 13, Series of 2015, MERALCO conducted a competitive selection process.

8.1 On 12 January 2017, MERALCO caused the publication of an Invitation for Price Challenge, including the terms and conditions of the proposal of SPDC, inviting power generation companies to submit better tariff proposals on or before 17 January 2017. Said publication provides that, if no qualified submissions are received per the deadline set, MERALCO shall have a second invitation published in a newspaper of general circulation, and that, should there still be no qualified submissions received as of the second deadline

set, MERALCO shall execute the Interim Power Supply Agreement (“**IPSA**”) with SPDC.

8.2 Having received no qualified submissions by 17 January 2017, MERALCO caused the publication of a Final Invitation for Price Challenge on 18 January 2017, again including the terms and conditions of SPDC’s proposal, inviting power generation companies to submit better tariff proposals on or before 23 January 2017.

8.3 Having received no qualified submissions by the final deadline set as published, MERALCO awarded the IPSA to SPDC, after which MERALCO and SPDC proceeded with finalization and execution of the IPSA.

9. Thereafter, on 24 January 2017, MERALCO executed an IPSA with SPDC for 100 MW per hour of electric power from 0901H to 1000H and 2001H to 2100H, and 150 MW per hour of electric power from 1001H to 2000H, on a firm basis.

10. The IPSA, a copy of which is attached as **ANNEX “A”** and made an integral part hereof, contains the following salient features:

## **“Article 1 Term and Effectivity**

### **1.1 Term of Agreement**

This Agreement shall become effective immediately upon execution provided that Power Supplier’s obligation to deliver, and Meralco’s obligation to purchase, Contract Energy shall commence on January 28, 2017 and shall expire on February 16, 2017, subject to Energy Regulatory Commission (“**ERC**”) approval, unless terminated earlier in accordance with the terms of this Agreement (“**Term**”).

### **1.2 ERC Approval**

1.2.1 Immediately after execution of this Agreement, the Parties shall file a joint application with the ERC for the approval of this Agreement, including the Contract Price as detailed in **Appendix “A” (“ERC Application”)**.

1.2.2 If the ERC approval requires any portion of any sum that has been paid by Meralco to Power Supplier to be adjusted, the Power Supplier shall make the necessary adjustments in accordance with the

direction of the ERC. In the event of any disallowances in the Contract Price or the imposition of penalties, the same shall be for the account of Power Supplier.

## **Article 2 Sale and Purchase of Contract Energy**

### **2.1 Supply of Power**

Subject to the terms and conditions of this Agreement:

2.1.1 Beginning January 28, 2017, Power Supplier shall make available, sell and deliver to Meralco and Meralco shall purchase from Power Supplier the Contract Energy at the Contract Price of PhP4.35 per kWh, as detailed in **Appendix "A."** The Parties agree that Power Supplier shall have no obligation to supply more than the Contract Energy.

2.1.2 Power Supplier shall not, without Meralco's prior written consent, sell, divert, transfer, dedicate, reserve or assign all or any portion of the Contract Energy to any Person other than Meralco.

2.1.3 Power Supplier shall not be entitled to any planned/scheduled or forced outage allowances. In case of any such outage, Power Supplier shall procure replacement energy, and Meralco shall pay for the same, at the Contract Price.

xxx

## **Article 4 Billing and Payment**

xxx

### **4.2 Payments**

4.2.1 Each Final Invoice shall be due and payable not later than the last day of the calendar month following the month in which the end of the Billing Period for such Final Invoice relates; provided that if such day is not a business day, then the Final Invoice shall be due and payable on the next succeeding business day ("Payment Date"); provided further that in the event that the Final Invoice is not received by Meralco within the time set forth in Section 4.1.6, the payment shall be due and payable on the last day of the calendar month

following the Payment Date; provided finally that Meralco shall not be required to make payment on any Final Invoice that is manifestly in error, apparently invalid or not in the form or substance contemplated by this Agreement.

4.2.2 If Meralco disputes all or any portion of a Final Invoice for a reason other than a manifest error in, or the patent invalidity or incorrect form or substance of, such Final Invoice, Meralco shall, nonetheless, pay the full amount of such Invoice. Any payment by Meralco under this Section is without prejudice to Meralco's right at a later date to dispute, protest or question any amount so paid.

xxx

## **Article 5 Taxes, Fees and Costs**

### **5.1 Responsibility for Taxes, Fees and Costs**

5.1.1 Power Supplier shall be responsible for and shall make timely payment of the following amounts:

- (a) WESM costs attributable to Power Supplier; and
- (b) VAT on the foregoing amounts, if any.

Power Supplier shall also be liable for the payment of all other existing taxes, fees, charges and costs, including penalties, arising from this Agreement that properly pertain to the business of Power Supplier.

5.1.2 The following amounts that Meralco is responsible for paying to third parties shall form part of the price that Meralco will charge to its customers:

- (a) VAT on Contract Energy in accordance with Bureau of Internal Revenue ("BIR") Memorandum Circular No. 61-2005 and ERC Resolution No. 20-2005, except in respect of any portion thereof that applies to VAT zero-rated and VAT-exempt customers of Meralco;
- (b) WESM line rental charges associated with the declaration of Bilateral Contract Quantities from the plant to Meralco's WESM Node; and

(c) NGCP charges.

Notwithstanding this Section, Meralco shall, at all times, be liable for payment of all other existing taxes, fees, charges and costs, including penalties, arising from this Agreement that properly pertain to the business of Meralco.

xxx

## **Article 8 Termination**

- 8.1 If for any reason, except as provided in Article 6, there is an actual failure on the part of Power Supplier to deliver the Contract Energy to Meralco for a period of five (5) days, Meralco shall send written notice to Power Supplier stating that such a breach has occurred.
- 8.2 If, within ten (10) days after receipt from Meralco of such written notice (the "Curing Period"), the actual failure on the part of Power Supplier to deliver the Contract Energy to Meralco has not been remedied by Power Supplier, Meralco may terminate this Agreement and pursue any remedy available to it under this Agreement, at law or in equity.
- 8.3 Meralco shall, from and after the occurrence of a breach under Section 8.1 and even during the Curing Period, be entitled to source energy from the WESM or other parties and Power Supplier shall be liable to pay Meralco the difference between the amount Meralco actually paid for such energy and the Contract Price.
- 8.4 Upon the early termination of this Agreement due to: (i) an actual failure on the part of Power Supplier to deliver the Contract Energy to Meralco, or (ii) the failure of Meralco to pay for the Contract Price under the terms and conditions of this Agreement, that results in the early termination of this Agreement, and without prejudice to any other provisions of this Agreement prior to such early termination, the Party in breach shall pay liquidated damages in an amount equivalent to the Contract Price multiplied by the Contract Energy for the remaining Term.

xxx"

11. The Contract Price is a straight energy fee of PhP4.35 per kWh, exclusive of Value-Added Tax ("VAT") and line rental.

12. Based on simulations, the effective delivered price under the IPSA for the period of 28 January to 16 February 2017 is PhP4.4901 per kWh, as shown in the sample calculation below:

**SPDC IPSA - Rate Impact**  
(January 28, 2017 to February 16, 2017)

BILLING COMPONENT	UNIT	ENERGY PRICE <sup>(a)</sup>	BILLING DETERMINANT <sup>(b)</sup>	AMOUNT (PHP)
Energy Payment	(Php/kWh)	4.3500	34,000,000 (kWh)	147,900,000.00
<b>TOTAL PAYMENT</b>	(Php)			<b>147,900,000.00</b>
Effective Rate at Plant Gate	(Php/kWh)			4.3500
WESM Line Rental Rate <sup>(c)</sup>	(Php/kWh)			0.1401
<b>Delivered Rate</b>	(Php/kWh)			<b>4.4901</b>
Effective Cost at WESM Price <sup>(d)</sup>	(Php/kWh)			6.1664
Increase / (Decrease) over WESM Price	(Php/kWh)			(1.6763)
Meralco Captive Energy Demand <sup>(e)</sup>	(kWh)			2,635,020,476
Increase / (Decrease) in Generation Cost	(Php)			(56,992,799.20)
Increase / (Decrease) in Generation Cost	(Php/kWh)			(0.0216)

**Assumptions:**

- <sup>(a)</sup> Energy Price as set forth in the SPDC IPSA
- <sup>(b)</sup> Energy billing determinant based on take-or-pay volume of 1,700 MWh per day from January 28 - February 16
- <sup>(c)</sup> Line Rental rate for SPDC is based on the assumed weighted average line rental rate of San Roque (PhP 0.1630/kWh) and Angat (PhP 0.0853/kWh)
- <sup>(d)</sup> Cost if equivalent volume of SPDC will be sourced from the WESM, based on forecast average WESM price (9am to 9pm) for Jan 28 - Feb 16, 2017
- <sup>(e)</sup> Forecast of Meralco Captive Energy Demand in February 2017

13. As seen in the rate impact above, for the duration of the term of the IPSA, the simulated delivered price thereunder would result in an overall savings of PhP0.0216 per kWh.

14. In support of this Application, the Judicial Affidavit of MR. CIPRINILO C. MENESES, Head of MERALCO's Energy Sourcing Office, is attached as ANNEX "B" and made an integral part hereof.

15. Likewise, in support of this Application, the Applicants provide this Honorable Commission with the following documents, which underwent the pre-filing conference of this Honorable Commission, to wit:

NAME OF DOCUMENT	ANNEX
Articles of Incorporation of MERALCO	C
By-Laws of MERALCO	D
General Information Sheet of MERALCO	E
Demand Side Management Plan of MERALCO	F
Distribution Development Plan of MERALCO	G
MERALCO Supply-Demand Outlook for 28 January to 16 February 2017	G-1*
MERALCO Forecasted Daily Load Curve for 28 January to 16 February 2017	G-2

Write-up on Non-Applicability of National Power Corporation (“NPC”) Certification	<b>G-3</b>
Documents showing MERALCO’s conduct of a Competitive Selection Process (“CSP”)	<b>H and series</b>
Articles of Incorporation of SPDC	<b>I</b>
Securities and Exchange Commission (“SEC”) Certificate of Registration of the said Articles of Incorporation of SPDC	<b>J</b>
General Information Sheet of SPDC	<b>K</b>
Write-up on SPDC’s Shareholders’ Agreement	<b>L</b>
Document showing information related to SPDC’s Ultimate Parent Company, its Subsidiaries and all its affiliates	<b>M</b>
Board of Investment (“BOI”) Certificate of Registration with attached Terms and Conditions	<b>N</b>
Environmental Compliance Certificate (“ECC”) of the power plant issued by the Department of Environment and Natural Resources (“DENR”)	<b>O</b>
Certificate of Compliance (“COC”) issued by the ERC pursuant to the Guidelines for the issuance of COC for Generation Companies/Facilities	<b>P</b>
Write-up on SPDC’s Certification from Department of Energy (“DOE”) regarding Philippine Development Plan (“PDP”) or Certificate of Endorsement (“CoE”)	<b>Q</b>
Write-up on SPDC’s Renewable Energy Service/Operating Contract from the DOE	<b>R</b>
Write-up on SPDC’s Certificate of Registration or Certificate of Confirmation of Commerciality by an RE Developer and after due confirmation by the DOE	<b>S</b>
SPDC’s Transmission Service Agreement	<b>T</b>
Write-up on SPDC’s IPPA Agreement	<b>U</b>
Executive Summary of the IPSA	<b>V</b>
Cost-based calculation of SPDC’s True Cost Generation Rate (“TCGR”) including all cost analysis related to the pricing provisions in the contract such as the operating expenses.	<b>W and series*</b>
Write-up on SPDC’s Fuel Procurement Process	<b>X</b>
Technical Description of the San Roque Multi-Purpose Hydroelectric Power Plant	<b>Y</b>
Latest and Complete Set of Audited Financial Statement of SPDC	<b>Z</b>

*\* These documents are requested to be treated as confidential and are attached to this Application in sealed envelopes.*

**ALLEGATIONS IN SUPPORT OF MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION**



16. 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.

17. With respect to the document marked and attached as **ANNEX "G-1"** (MERALCO Supply-Demand Outlook for 28 January to 16 February 2017), MERALCO respectfully moves that it be treated as confidential and not be disclosed to any party for the reason that it contains information which are of commercially sensitive nature and may affect price offers that MERALCO may receive under a power supply agreement. In addition, such information falls within the bounds of valuable proprietary interest under "trade secrets" which are entitled to protection under the Constitution, statutes and rule and regulations.

18. With respect to the documents marked and attached as **ANNEX "W and series,"** SPDC respectfully moves for the confidential treatment thereof, considering that SPDC is bound by the confidentiality clause prohibiting the disclosure of any business, technical, marketing, operational, organizational, financial or other information and trade secrets and other confidential documents, paper and information.

19. SPDC's confidential, proprietary, and private information included in said annex 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 SPDC.

20. Applicants hereby submit one (1) copy of each of the foregoing confidential documents in sealed envelopes, with the envelopes and each page of the documents marked "Confidential."

### **PRAYER**

**WHEREFORE**, premises considered, it is respectfully prayed that this Honorable Commission:

1. **ISSUE** an Order treating **Annexes "G-2"** and **"W and series"** and all other information contained therein as confidential, directing their non-disclosure to persons other than officers and staff of this Honorable Commission, continuously protecting the said information from public disclosure by maintaining the same separate

and apart from the records of the case, and ensuring that these are not divulged to unauthorized persons, pursuant to Rule 4 of the ERC Rules of Practice and Procedure; and

2. After due notice and hearing, render a Decision **APPROVING** the IPSA between MERALCO and SPDC.

Other relief just and equitable under the circumstances are likewise prayed for.

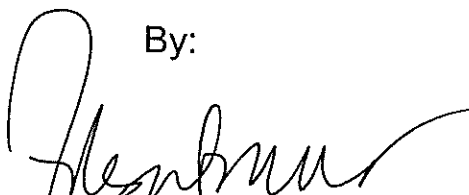
Pasig City, 24 January 2017.

**MANILA ELECTRIC COMPANY**

*Applicant*

Lopez Building, Ortigas Avenue,  
Barangay Ugong, Pasig City

By:



**FRANCIS DINO S. ANTONIO**

Roll of Attorneys No. 48145

PTR No. 1473407; 01/21/16; Pasig City

IBP No. 1023724; 01/08/16; RSM

MCLE Compliance No. V-0004608; 6 November 2014



**CARMEN GRACE S. RAMOS**

Roll of Attorneys No. 55945

PTR No. 1473409; 01/21/16; Pasig City

IBP No. 1023723; 01/08/16; RSM

MCLE Compliance No. V-0004623; 6 November 2014



**KATHERINE MARI S. GARCIA-MORENO**

Roll of Attorneys No. 56002

PTR No. 1473412; 01/21/16; Pasig City

IBP No. 1023727; 01/08/16; RSM

MCLE Compliance No. V-0002588; 9 June 2014

7th Floor, Lopez Building,  
Ortigas Avenue, Barangay Ugong, Pasig City  
Tel no. 1622-2260; Fax No: 1622-3550

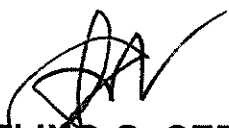
**STRATEGIC POWER DEVT. CORP.**

*Applicant*



**JUPITER M. CABAGUIO**

23<sup>rd</sup> Floor, San Miguel Properties Centre,  
No. 7 St. Francis Street, Mandaluyong City  
Telephone No. (632) 702-4512/jmcabaguio@gmail.com  
PTR No. 3015967 / 4 January 2017 / Mandaluyong City  
IBP No. 06372 / Lifetime / Makati City  
MCLE Compliance No. V-0021453 / 4 May 2016  
Roll No. 47112



**AVELINO G. CEDO III**

23<sup>rd</sup> Floor, San Miguel Properties Centre,  
No. 7 St. Francis Street, Mandaluyong City  
Telephone No. (632) 702-4509/acedoiii@gmail.com  
PTR No. 3015962 / 4 January 2017 / Mandaluyong City  
IBP No. 010380 / Lifetime / PPLM  
MCLE Compliance No. V-0020574 / 20 April 2016  
Roll No. 54500



**BEATRIZ IRINA DENISE C. ALAZAS**

23<sup>rd</sup> Floor, San Miguel Properties Centre,  
No. 7 St. Francis Street, Mandaluyong City  
Telephone No. (632) 702-4513  
PTR No. 3015961 / 4 January 2017 / Mandaluyong City  
IBP No. 1027581 / 10 February 2016 / Makati City  
MCLE Compliance No. V-0021005 / 20 April 2016  
Roll No. 58448

REPUBLIC OF THE PHILIPPINES)  
CITY OF PASIG

)s.s.

**VERIFICATION  
AND CERTIFICATION OF NON-FORUM SHOPPING**

I, **JOSE RONALD V. VALLES**, Filipino, of legal age, married, with office address at 7th Floor, Lopez Building, MERALCO Compound, Ortigas Avenue, Barangay Ugong, Pasig City, after being sworn in accordance with law, hereby depose and say that –

1. I am the Vice President and Head, Regulatory Affairs Office, of Applicant Manila Electric Company (“MERALCO”). In such capacity, I have caused the preparation and filing of the foregoing Application;

2. Moreover, I have been authorized by the Board of Directors of MERALCO to certify that Applicant has not heretofore filed any similar action, pleading or application involving the same issues before the Supreme Court, the Court of Appeals or any other lower courts or administrative bodies. A copy of the Secretary’s Certificate authorizing me to cause the preparation of the instant Application and sign this Verification and Certification is attached hereto as **ANNEX “AA”**;

3. I have read and understood the allegations contained therein and the same are true and correct based on my personal knowledge and authentic records made available to me in the ordinary course of business of MERALCO;

4. To the best of my knowledge, no similar action or proceeding is pending before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies;

5. If I should hereafter learn that a similar action has been filed before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies, I undertake to report such fact to this Honorable Commission within five (5) days from notice of such fact.

**IN WITNESS WHEREOF**, I have hereunto affixed my signature this

JAN 24 2017 at Pasig City, Philippines.

  
**JOSE RONALD V. VALLES**  
*Affiant*

**SUBSCRIBED and SWORN** to before me this JAN 24 2017,  
affiant having exhibited to me his Social Security System ID bearing the  
number 33-10900088.

Doc. No. 492 ;  
Page No. 100 ;  
Book No. VIII ;  
Series of 2017.

  
**ATTY. FREDO M. NAVIDAD**  
Notary Public

Pasig, San Juan, Taguig and Pateros  
Issued on December 29, 2015 at Pasig City  
Appointment No. 77 (2016-2017)  
Roll No. 53655/IBP No. 1002731-114117 RSM Chapter  
PTR No. 1465697/01-21-16 Pasig City  
MCLE V-0002608-06/09/14  
8<sup>th</sup> Floor Lopez Bldg., Ortigas Avenue, Pasig City



ORTIGAS AVENUE, PASIG CITY  
0300 PHILIPPINES

**ANNEX " AA "**

## **SECRETARY'S CERTIFICATE**

I, WILLIAM S. PAMINTUAN, a duly elected, qualified and incumbent Assistant Corporate Secretary of the Manila Electric Company (MERALCO), a corporation duly organized and existing under and by virtue of the laws of the Philippines, do hereby certify that:

At the regular meeting of the Board of Directors of the Company duly convened and held on December 19, 2016, at which meeting a quorum was present, acted throughout and voted, the following resolutions were approved and said resolutions are in full force and effect on the date hereof:

"RESOLVED, that the Board of Directors of the Manila Electric Company Electric Company (MERALCO) hereby authorizes MERALCO to proceed with the Price Challenge, with respect to the proposal of Strategic Power Devt. Corp. (SPDC) as the original proponent, and execute the relevant Interim Power Supply Agreement (IPSA) after the conduct of a competitive selection process;

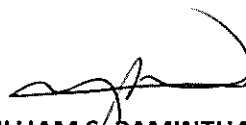
"RESOLVED, FURTHER, that the following officers, namely Messrs. MANUEL V. PANGILINAN, Chairman of the Board, OSCAR S. REYES, President & Chief Executive Officer, ALFREDO S. PANLILIO, Senior Vice President, Head, Customer Retail Services and Head, Corporate Communication and RONNIE L. APEROCHO, First Vice President & Head, Networks, are hereby directed and empowered, for and in behalf of the Company, to sign, execute and deliver any contract, agreement, instrument, and other documents which may be deemed necessary or appropriate for the purpose, and to perform or execute all other acts and deeds as may be necessary or appropriate to carry out or accomplish the said purpose;

"RESOLVED, FURTHERMORE, that the Board of Directors authorize, as it hereby authorizes, MERALCO, through Atty. JOSE RONALD V. VALLES, Vice President and Head, Regulatory Affairs, or any lawyer or employee of MERALCO that any of them may designate, name or appoint:

- (1) To file the appropriate application with the Energy Regulatory Commission (ERC) for the approval of the Power Supply Agreement between MERALCO and the Winning Power Supplier, for the supply and delivery of energy to MERALCO;
- (2) to sign, execute, and deliver in connection therewith the necessary pleadings, motions, verification, affidavit of merit, certificate of non-forum shopping, powers of attorney, and other instruments as may be necessary or proper; and
- (3) To designate, name, and appoint, a representative or an attorney-in-fact in behalf of the Company during the preliminary conference, pre-trial, trial, execution and all other stages of or incidents related to the case, proceeding or action; to negotiate, enter into, and agree to an amicable settlement, make admissions or


stipulations of fact and/or documents; and to perform and execute any and all actions and such other matters as may aid in the prompt disposition of such case, proceeding or action."

WITNESS THE SIGNATURE of the undersigned as such officer of the Company and its corporate seal hereunto affixed on this JAN 24 2017 day of January 2017.

  
WILLIAM S. PAMINTUAN  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this JAN 24 2017 day of January 2017, affiant exhibited to me his Taxpayer Identification Number (TIN) 146-473-562, issued by the Bureau of Internal Revenue (BIR) as his competent evidence of identity.

Doc. No. 491;  
Page No. 100;  
Book No. viii;  
Series of 2017.

  
ATTY. FREEDOM JANETTE M. NAVIDAD  
Notary Public  
Pasig, San Juan, Taguig and Pateros  
Issued on December 29, 2015 at Pasig City  
Appointment No. 7712016-2017)  
Roll No. 53655/ IBP No. 1042701-1/2017 RSM Chapter  
PTR No. 1465697/01-21-16 Pasig City  
MCLE V-0002608-06/09/14  
8<sup>th</sup> Floor Lopez Bldg., Ortigas Avenue, Pasig City

REPUBLIC OF THE PHILIPPINES)  
CITY OF MANDALUYONG )s.s.

**VERIFICATION**  
**AND CERTIFICATION OF NON-FORUM SHOPPING**

I, Elenita D. Go, Filipino, of legal age, married, with office address at 2/F 808 Meralco Avenue corner Gen. Lim St., after being sworn in accordance with law, hereby depose and say that –

1. I am the General Manager of Applicant Strategic Power Devt. Corp. ("SPDC"). In such capacity, I have caused the preparation and filing of the foregoing Application;

2. Moreover, I have been authorized by the Board of Directors of SPDC to certify that Applicant has not heretofore filed any similar action, pleading or application involving the same issues before the Supreme Court, the Court of Appeals or any other lower courts or administrative bodies. A copy of the Secretary's Certificate authorizing me to cause the preparation of the instant Application and sign this Verification and Certification is attached hereto as **ANNEX "[BB]"**;

3. I have read and understood the allegations contained therein and the same are true and correct based on my personal knowledge and authentic records made available to me in the ordinary course of business of SPDC;

4. To the best of my knowledge, no similar action or proceeding is pending before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies;


5. If I should hereafter learn that a similar action has been filed before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies, I undertake to report such fact to this Honorable Commission within five (5) days from notice of such fact.

**IN WITNESS WHEREOF**, I have hereunto affixed my signature this 24<sup>th</sup> of January 2017 at Mandaluyong City, Philippines.

  
**ELENITA D. GO**  
*Affiant*

**SUBSCRIBED AND SWORN** to before me this JAN 24 2017 at Mandaluyong City. Affiant personally appeared and exhibited to me her Philippine Passport with No. **EC7991445** issued on **10 June 2016** at the **Department of Foreign Affairs (DFA), NCR East** as her competent proof of identity.

Doc. No. 471 ;  
Page No. 96 ;  
Book No. I ;  
Series of 2017.

  
**JINKY ROSE L. GO**  
Appointment No. 0461-16  
Notary Public for Mandaluyong City  
Until December 2017  
No. 155 EDSA, Brgy. Wack-Wack, Mandaluyong City  
Telephone No. 702-4506  
Facsimile No. 702-4516  
PTR No. 3015966; 1/4/17; Mandaluyong City  
IRP Lifetime Member No. 767072; 1/6/12; Cagayan Chapter

SECRETARY'S CERTIFICATE

I, **IRENE M. CIPRIANO**, of legal age, married, Filipino, with office address at No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila, Philippines, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the Assistant Corporate Secretary of **STRATEGIC POWER DEVT. CORP.** (the "Corporation"), a corporation duly organized and registered in accordance with the laws of the Republic of the Philippines.

2. As Assistant Corporate Secretary of said Corporation, I have under my supervision and control the Minutes Book wherein all the minutes of the meetings of the Board of Directors are recorded.

3. At the Organizational Meeting of the Board of Directors held on **31 March 2016**, at which meeting a quorum was present for the valid transaction of business, the Board unanimously approved the following resolutions:

"xxx

**IX. AUTHORITY TO APPOINT AND DESIGNATE REPRESENTATIVE TO PROSECUTE, DEFEND, ARBITRATE, SETTLE AND/OR COLLECT**

"RESOLVED, that any one Group A, B, C or F signatory be, as they hereby are, authorized and empowered to represent, act, negotiate, sign, conclude and deliver for and in the name of the Corporation for the application, prosecution, defense, arbitration, conciliation, execution, collection, compromise or settlement of:

- a) Any and all claims or suits for or against the Corporation, including, but without in any manner restricting or limiting to, the acceptance of pledges, real estate or chattel mortgages, bonds or any forms of undertaking as collateral security for the payment of obligations to the Corporation, extension of credit; or any and all claims or suits for or against the Corporation arising from, or in connection with, any disputes involving any and all contracts, deeds or acts of whatever kind and nature where the Corporation is a party directly or indirectly and all disputes involving all acts and products of the Corporation;
- b) Any and all protests, claims or suits of the Corporation against any and all persons (natural or juridical), firms or entities, including, but without in any manner restricting or limiting to, forwarders, carriers, brokers, transportation or shipping insurance companies, agencies or any other party or entity involving, short, defective or erroneous delivery, consignment, transport or shipment of goods, wares, machineries or against any and all persons, firms or entities arising out of, or in connection with any kind of breach or violation of their contractual obligations with the Corporation including the Government of the Republic of the Philippines, its agencies or instrumentalities;

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- c) Any and all claims, applications, negotiations, registrations, protests and the like relating to or arising from or in connection with all the intellectual property, trademarks, tradenames, service names, patents, licenses, copyrights and the like of the Corporation;
- d) Any and all claims and negotiations relating to or arising from the labor relations of the Corporation, including, but not limited to, collective bargaining agreements, labor conciliation, arbitration or negotiation and the like; or
- e) Any and all foreclosures of properties mortgaged to the Corporation, judicial or extra-judicial, with authority to enter upon and take possession of the mortgaged properties, execute and sign deeds of sale in favor of the Corporation as attorneys-in-fact of the mortgagor(s), and to sell and dispose of the same to the highest bidder at public auction after the publication of notice in accordance with law; to execute and deliver, on behalf of the Corporation, in its name and stead, in case of sale of the foreclosed properties to the Corporation after the expiration of the redemption period, or in the case of the waiver of such redemption period, such deeds, documents of conveyances or transfer as may be necessary for the purpose of vesting in the Corporation as purchaser of such full, complete and absolute title to the properties so sold;

**"RESOLVED, FURTHER,** that any one Group A, B, C or F signatory be, as they are hereby, authorized to do and perform on behalf of the Corporation, whatever act such signatory may deem necessary, including, but not limited to, causing the preparation and filing of pleadings, motions and other papers, verifying the same and the allegations therein, executing affidavits or sworn statements, giving testimonies, and making certifications against forum shopping in the cases (a), (b), (c), (d) and (e) mentioned above;

**"RESOLVED, FURTHER,** that any one Group A, B, C or F signatory be, as they are hereby, authorized and empowered to engage the services of, and designate and appoint as representatives, agents, or attorneys-in-fact of the Corporation, any individual, party, entity or firm for the application, prosecution, defense, arbitration, conciliation, execution, collection, compromise or settlement of (a), (b), (c), (d) and (e) mentioned above;

**"RESOLVED, FINALLY,** that in connection with the foregoing powers and authority, the aforementioned authorized signatories of the Corporation be, as they are hereby, authorized to assign the enforcement of any of the causes of action or defense of the Corporation in favor of a trustee or plaintiff for collection or defense, and to designate, in writing, such lawyers or law firms to appear, act for, or otherwise represent the Corporation in all judicial, quasi-judicial, administrative or arbitration board hearings, incidents and other proceedings, including, but without in any manner restricting or limiting to, all pre-trial conferences and to do any and all of the following acts and deeds:

- a) To negotiate, conclude, enter into and execute a compromise or amicable settlement of the case or dispute;
- b) To agree on the simplification of the issues;
- c) To amend the pleadings;
- d) To agree to stipulations or obtain admissions of facts and of documents to avoid unnecessary proofs;

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- e) To limit the number of witnesses;
- f) To undertake a preliminary reference of issues to a commissioner;
- g) To explore and/or consider alternatives modes of dispute resolution, such as but not limited to mediation proceedings; and
- h) To do and agree on such other matters as may aid the prompt disposition of the case or dispute."

"xxx

**XXIV. DESIGNATION OF OFFICERS AND PERSONS WITH SIGNING AUTHORITIES**

"RESOLVED, that for purposes of the implementation of the foregoing resolutions, the following officers and persons are hereby appointed as signatories under the Group appearing before their names:

<u>GROUP</u>	<u>NAME</u>
xxx	xxx
B	xxx Elenita D. Go Alexander B.M. Simon xxx
C	xxx Ramon U. Agay xxx
xxx	xxx
F	xxx Jinky Rose L. Go Lorenz R. Defensor Avelino G. Cedo III Jupiter M. Cabaguio Julieta B. Estamo Julie Ann B. Domino-Pablo
xxx	xxx

"RESOLVED, FINALLY, that these resolutions cancel and supersede, as they hereby cancel and supersede, all previous resolutions."

4. The foregoing resolutions have not been revoked, amended, or in any manner modified, and accordingly, the same may be relied upon until written notice to the contrary is issued by the Corporation.


5. The foregoing are in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have hereunto signed these presents on  
AUG 10 2016 at Mandaluyong City.

  
IRENE M. CIPRIANO  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me on AUG 10 2016 at Mandaluyong City,  
affiant exhibiting to me her Passport with Passport No. EC0133435 issued on 28 January 2014  
in DFA NCR East.

Doc. No.: JK  
Page No.: 44  
Book No.: V  
Series of 2016.

  
PAULA KATHERINA A. GAN  
Commission No. 0308-15  
Notary Public for Mandaluyong City  
Until Dec. 31, 2016  
SMC, 40 San Miguel Ave., Mandaluyong City  
Roll No. 55988  
PTR No. 2599895; 01/04/16; Mandaluyong City  
IBP Lifetime Member No. 013353; 02/05/15; Q.C.