

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

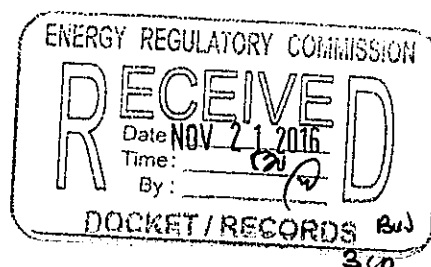
**IN THE MATTER OF THE
APPLICATION FOR THE
APPROVAL OF THE EXTENSION
OF THE POWER SUPPLY
AGREEMENT (PSA) BETWEEN
MANILA ELECTRIC COMPANY
(MERALCO) AND MASINLOC
POWER PARTNERS CO., LTD.
(MPPCL), WITH MOTION FOR
CONFIDENTIAL TREATMENT
OF INFORMATION**

ERC CASE NO. 2016-180 RC

**MANILA ELECTRIC COMPANY
(MERALCO) AND MASINLOC
POWER PARTNERS CO., LTD.
(MPPCL),**

Applicants.

X-----X



**JOINT APPLICATION
with
MOTION FOR CONFIDENTIAL TREATMENT OF
INFORMATION**

Applicants **MANILA ELECTRIC COMPANY ("MERALCO")**
and **MASINLOC POWER PARTNERS CO., LTD. ("MPPCL")**,
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 Lopez Building, Meralco Center, Ortigas Avenue, 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/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 the Honorable Commission.

3. Applicant MPPCL is a limited partnership organized and existing under the laws of the Philippines, engaged in the generation of power, and is the owner and operator of the Masinloc Coal-Fired Thermal Power Plant.

4. On 21 December 2011, MERALCO executed a Power Supply Agreement ("**PSA**") with MPPCL for the purchase from the Masinloc Coal-Fired Thermal Power Plant located in Barangay Bani, Masinloc, Zambales, of the capacity indicated in the table in Appendix C of the PSA, as replicated below:

Billing Period	Maximum Hourly Contract Capacity kW
December 26, 2011 to December 25, 2012	330,000
December 26, 2012 to December 25, 2015	400,000
December 26, 2015 to end of Term	430,000

5. On 9 March 2012, MERALCO filed an Application docketed as ERC Case No. 2012-036 RC seeking this Honorable Commission's approval of the PSA.

6. On 17 December 2012, this Honorable Commission rendered a Decision in ERC Case No. 2012-036 RC approving the application for approval of the PSA between MERALCO and MPPCL dated 21 December 2011 (hereinafter, the "**Approved PSA**"). The dispositive portion thereof reads:

"WHEREFORE, the foregoing premises considered, the application for the approval of the Power Supply Agreement (PSA) between Manila Electric Company (MERALCO) and Masinloc Power Partners Co. Ltd. (MPPCL) is hereby APPROVED with MODIFICATION.

Accordingly, the approved rates are as follows:

Particulars	Approved Rate
Annual Capacity Fee	US\$276.39/kW/Year
Annual Fixed O&M	US\$55.30/kW/Year
Annual Fixed O&M	PhP1,285.63/kW/Year
Variable O&M Fee	US\$0.0002/kWh

Variable O&M Fee	PhP0.05382/kWh
Fuel Cost	Pass-through
Guaranteed Net Plant	10,300 Btu/kWh

SO ORDERED.”

7. Based on MERALCO's Distribution Development Plan, from 2015 to 2024, aggregate demand is forecasted to grow by a compound average growth rate of 3.7%. In order to ensure continuous and reliable electricity for MERALCO's customers with the expected continuous increase in demand and load growth, and mitigate exposure to the Wholesale Electricity Spot Market ("**WESM**"), there is a need for MERALCO to continue to source additional capacity through bilateral power supply contracts.

8. In view of this, after good faith negotiations, MERALCO and MPPCL mutually agreed to extend the term of the Approved PSA in accordance with Section 2.2 thereof, which provides thus:

“2.2 Term of Agreement

2.2.1 Subject to Section 3.5, this Agreement shall become effective on the Effective Date.

2.2.2 The term of this Agreement (the “Term”) shall commence on the Effective Date and shall expire the date falling seven (7) years after the Operations Effective Date, unless terminated earlier in accordance with the terms of this Agreement or extended by the application of Sections 16.3.2 and 16.3.3 or Section 2.2.3.

2.2.3 The Term may be extended for an additional period of three (3) years by mutual agreement of the Parties under the same terms and conditions as set forth in this Agreement.”
(Emphasis supplied)

9. Accordingly, on 8 April 2016, MERALCO and MPPCL entered into a Supplemental Agreement to extend the term of the Approved PSA for an additional period of three (3) years under the same terms and conditions thereunder. The pertinent provision of the Supplemental Agreement reads:

“2.1 It is agreed between the Parties that the term of the 2011 PSA shall be extended, in accordance with Section 2.2.3 of the 2011 PSA, for an additional period of three (3) years under the same terms and conditions, including the Price as

set forth in the 2011 PSA as approved by the Energy Regulatory Commission.

- 2.2 Under Section 2.2.2 of the 2011 PSA, the expiration date thereof shall be on the date falling seven (7) years after the Operations Effective Date, or on 25 December 2019.
- 2.3 Hence, the Parties agree that the extended Term of the PSA shall be from **26 December 2019 until 25 December 2022.**" (Emphasis retained from original)

10. In this connection, on 18 April 2016, MERALCO filed with this Honorable Commission a "Manifestation and Motion" of even date, seeking confirmation that the aforementioned Supplemental Agreement extending the term of the Approved PSA, from 26 December 2019 until 25 December 2022, is consistent with and valid under Section 2.2.3 of the Approved PSA.

A copy of the Supplemental Agreement is attached to the said "Manifestation and Motion" and, for ease of reference, is hereby reattached hereto and made an integral part hereof as **ANNEX "I."**

A copy of the Approved PSA is likewise attached herewith and made an integral part hereof as **ANNEX "I-1"**.

11. On 25 October 2016, MERALCO received the Honorable Commission's Order dated 11 October 2016, which resolved to consider the "Manifestation and Motion" dated 18 April 2016 "as a new application for approval of PSA filed on 18 April 2016 under the instant Case Number." In particular, the Order directed MERALCO and MPPCL to:

"IN VIEW OF THE FOREGOING, MERALCO and Masinloc Power Partners, Co. Ltd. (MPPCL) are hereby DIRECTED to:

- 1) COMPLY with the pre-filing requirements under Section 2, Rule 6 of the Commission's 2006 Rules of Practice and Procedure (2006 RPP) by sending copies to the relevant Local Government Units and publishing herein Order, the amended Application, and the PSA; and
- 2) PRESENT their proof of compliance with Section 2, Rule 6, 2006 RPP during pre-filing conference and filing proper pursuant to Sections 4 and 5, Rule 6 of the 2006 RPP.

Accordingly, the Manifestation is deemed conditionally filed subject to MERALCO and MPPCL's compliance with the above directive within thirty (30) days from receipt hereof."

A copy of the Order dated 11 October 2016 is attached hereto as **ANNEX "T."**

12. Hence, this Joint Application for the approval of the extended term of the Approved PSA, from 26 December 2019 until 25 December 2022, as enunciated in the Supplemental Agreement attached herein as Annex I.

13. Given the foregoing, a sample calculation of the base contract price under the PSA, as extended, given a certain set of assumptions, results in an annual effective rate of PhP 4.1879 per kWh (at plant gate), as shown in the sample calculation below:

**MPPCL PSA - Rate Impact
(YEAR 2020)**

BILLING COMPONENT	UNIT	BASE RATE ^[a]	CPI Adj Factor ^[b]	BILLING DETERMINANT ^[c]	AMOUNT (PHP)
A. Capacity Payment (MCP)					
US Dollar Portion	(USD/kW-yr) ^[b]	276.3900		260,000 (kW)	3,485,277,900.00
B. Fixed O&M Payment (MFOMP)					
US Dollar Portion Escalating	(USD/kW-yr) ^[b]	55.3000	1.0989	260,000 (kW)	766,268,044.47
Peso Portion Escalating	(Php/kW-yr) ^[b]	1,285.6300	1.1769	260,000 (kW)	393,385,288.44
C. Energy Payment (EP)					
Peso Portion	(Php/kWh) ^[c]	1.5716		1,827,072,000 (kWh)	2,871,442,931.80
D. Variable O&M Payment (VOMP)					
US Dollar Portion	(USD/kWh)	0.00020	1.0989	1,827,072,000 (kWh)	19,474,570.71
Peso Portion	(Php/kWh)	0.05382	1.1769	1,827,072,000 (kWh)	115,725,248.99
TOTAL PAYMENT	(Php)				7,651,573,984.40
Effective Rate at Plant Gate	(Php/kWh)				4.1879
WESM Line Rental Rate ^[d]	(Php/kWh)				0.1861
Delivered Rate	(Php/kWh)				4.3740
Effective Cost at WESM Price ^[e]	(Php/kWh)				7.0970
Increase / (Decrease) over WESM Price	(Php/kWh)				(2.7230)
Meralco Captive Energy Demand ^[f]	(kWh)				33,569,812,196
Increase / (Decrease) in Generation Cost	(Php)				(4,975,154,412.30)
Increase / (Decrease) in Generation Cost	(Php/kWh)				(0.1482)

Assumptions:

- ^[a] ERC approved Base Rates from ERC Case No. 2012-036 RC dated December 17, 2012, except for Energy Payment (see Note [c])
- ^[b] Annual Capacity Rate and Annual Fixed O&M Rate are converted into monthly rates by applying the formulas shown in Appendix D of the PSA
- ^[c] Energy Payment calculated based on Guaranteed Net Plant Heat Rate of 10,300 Btu/kWh, Newcastle index = 67.41 USD/MT, Freight Price = 7.47 USD/MT, and Forex rate of 48.50 Php/USD (current prices as of September 2016)
- ^[d] Line Rental rate for MPPCL is based on actual weighted average of 2015 billing data
- ^[e] Cost if equivalent volume of MPPCL was sourced from the WESM based on forecast average Jan - Dec 2020 hourly prices
- ^[f] Meralco Captive Energy Demand based on 2020 forecast
- ^[g] Three-month average (Jun-Aug 2016) US CPI = 240.846 and Three-month average (Jun-Aug 2016) PH CPI = 144.167
- ^[h] Energy Payments based on 80.00% plant capacity factor

14. As seen in the rate impact above, given the above assumptions, the simulated delivered price under the PSA would result in the reduction of MERALCO's generation charge by about PhP 0.1482 per kWh.

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

16. Likewise, in support of the instant Joint Application, the Applicants provide this Honorable Commission with the following documents, which underwent the pre-filing conference and pre-filing marking of annexes with this Honorable Commission:

Description of Document	Annex
MERALCO's Articles of Incorporation and By-Laws	A
MERALCO's latest General Information Sheet (GIS) showing list of Directors, Officers, Subsidiaries, Affiliates, etc.	B
MPPCL's Certificate of Registration with the Securities and Exchange Commission ("SEC"); MPPCL's Amended Articles of Limited Partnership; Partnership Interest of the Partners	C
MPPCL's Board of Investments ("BOI") Certificate of Registration No. BOI 2008-052 dated 3 March 2008	D
MPPCL's Environmental Compliance Certificate ("ECC") No. 1111-020 dated 23 April 2012	E
MPPCL's Certificate of Compliance No. 15-07-M-286gL	F
Demand Side Management program	G
Distribution Development Plan with Supply and Demand Scenario and Average Daily Load Curve scenarios	H
Supplemental Agreement extending the term of the PSA, and Power Supply Agreement (PSA) between MERALCO and MPPCL, approved by the ERC in ERC Case No. 2012-036 RC	I I-1
Transmission Service Agreement between MPPCL and the National Transmission Corporation	J
Connection Agreement between MPPCL and NGCP, and Metering Service Agreement between MPPCL and NGCP	K K-1
Executive Summary (technical and economic characteristics of the generation capacity, salient features of the PSA)	L
Sources of Funds/Financial Plans; Generation Rate and Derivation*	M
Accounts Agreement between MPPCL and Collateral Trustee*	M-1
Financial model in compact disc containing derivation of rates*	M-2
Affidavit regarding procurement process of coal	N
MPPCL's latest Audited Financial Statements	O

Certification regarding the net heat rate	P
Simulation of the number of operating units necessary to meet the minimum energy off-take (MEOT) and/or additional energy/demand requirements of MERALCO	Q
Potential cost (absolute amounts and PhP/kWh) of ancillary services as and when the Independent Power Producer or DU is connected to the main grid	R
Write-up on the non-applicability of the following requirements: 1. list of shareholders 2. certification from DOE regarding PDP or certificate of endorsement	S
Write-up on the non-applicability of a Certification by NPC whether Transition Supply Contract (TSC) capacity and energy is expected	S-1

*** Subject of the Motion for Confidential Treatment of Information.**

ALLEGATIONS IN SUPPORT OF MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

17. **Annex "M" and subseries** contains numbers, methodology, and calculations which provide valuable information and insight on how MPPCL arrives at its power generation rate and would accordingly reflect MPPCL's bidding strategy for distribution utilities undertaking competitive process for the selection of their power suppliers, and MPPCL's trading in the WESM. It also contains information regarding the debt or equity ratio, capital costs, weighted average cost of capital, and fuel cost, among other information.

17.1. Pursuant to MPPCL's agreement with its lenders, **Annex M-1"** likewise contains certain non-public information involving its lenders' financial trade secrets. The information contained in **Annex "M-1"**, when disclosed together with **Annexes "M,"** and **"M-2"** would certainly provide an indication of MPPCL's bidding strategy and trading in the WESM.

17.2. It is therefore submitted that **Annexes "M"** and **subseries** fall within the bounds of proprietary "trade secrets" which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

18. Under Rule 4 of the ERC Rules of Practice and Procedure, the Honorable Commission may, upon request of a party and determination of the existence of conditions, which would warrant

such remedy, treat certain information submitted to it as confidential. Pursuant to such provision, Applicant MPPCL respectfully prays for the issuance of a protective order declaring **Annexes "M" and subseries** as confidential information, since the Applicants intend to present them as evidence in the instant Application.

19. Even though these will be treated as confidential documents and information and a protective order will be issued, the rules do not preclude the parties of record or their lawyers an access to such confidential information after agreeing to be bound by the terms of the protective order.

20. The data contained in **Annexes "M" and subseries** constitute "trade secrets" of Applicant MPPCL; thus, MPPCL has actual and valuable proprietary interest to protect with respect to such information. The Supreme Court, in the recent case of *Air Philippines Corporation vs. Pennswell, Inc.* (540 SCRA 215 [2007]), had the opportunity to discuss the definition of "trade secrets" and the great extent to which the same are protected under our laws. In other instances, the Supreme Court has held that the confidential nature of trade secrets protects such from disclosure even in the face of the right of inspection given to stockholders or the constitutional right to information. (*Philpotts vs. Philippine Manufacturing Company*, 40 Phil. 471 [1919]; *Garcia vs. Board of Investments*, G.R. 88637 [1989])

21. In ERC Case No 2008-030, the National Power Corporation's ("**NPC**") application for revised basic generation rates, the Honorable Commission had an occasion to rule on the confidentiality of NPC's results of operation per power plant for calendar years 2005 to 2007. The Honorable Commission declared such information as confidential, in this wise:

"Upon review of the documents submitted by NPC, the Commission found that the results of operation per plant of NPC for years 2005 to 2007 contain vital information necessary in the calculation of its production costs in P/kWh per plant and the corresponding revenues. This information will serve as initial inputs to NPC's decision-making. As such, disclosure of this information will give the other parties, particularly the other generation companies (Gencos) and the distribution utilities (DUs) with Genco counterparts, undue advantage in the pricing of electricity in the market over NPC and other Gencos by using its production costs as benchmark. Thus, the Commission deems the information as confidential, which may not be

made public, as it may affect adversely the competitive position of NPC and other generation companies."

22. Information, which falls within the definition of a trade secret, as defined by jurisprudence is clearly information which merits the confidential treatment provided for under Rule 4 of the ERC Rules of Practice and Procedure. **Annexes "M" and subseries** should therefore be entitled to the protection of confidential information provided under Rule 4 of the ERC Rules of Practice and Procedure.

23. MPPCL hereby submits one (1) copy of each of the foregoing confidential documents in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential."

PRAYER

WHEREFORE, premises considered, it is respectfully prayed that the Honorable Commission,

(i) **ISSUE** an Order treating **Annexes "M" and subseries** as confidential information pursuant to Rule 4, Section 1 of the ERC Rules of Practice and Procedure and prescribing the guidelines for the protection thereof; and

(ii) after hearing on the merits, render a Decision **APPROVING** the Supplemental Agreement that extends the term of the Approved PSA from **26 December 2019 until 25 December 2022**, pursuant to Section 2.2.3 of the Approved PSA.

Pasig City, 17 November 2016.

MANILA ELECTRIC COMPANY
Co-Applicant
MERALCO Compound, Lopez Building,
Ortigas Avenue, 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



RAYMOND B. YAP

Roll of Attorneys No. 55889
PTR No. 1473414; 01/21/16; Pasig City
IBP No. 1023728; 01/08/16; CapiZ
MCLE Compliance No. VI-0000261; 11 July 2016

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

REPUBLIC OF THE PHILIPPINES)
PASIG CITY)S.S.

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, **RONNIE L. APEROCHO**, of legal age, with address c/o 5th Floor, Technical Services Building, Meralco compound, Ortigas Ave., Pasig City, after having been duly sworn in accordance with law, hereby depose and state that:

1. I am the First Vice President & Head, Networks of the Manila Electric Company ("MERALCO"). I am duly authorized to represent MERALCO and to sign this Verification. A copy of the Secretary's Certificate authorizing me to sign, execute and deliver any documents in connection with the extension of the Power Supply Agreement of MERALCO with Masinloc Power Partners Co., Ltd. ("MPPCL") for an additional period of three (3) years is attached hereto as **Annex " V "**.
2. I have caused the preparation of the foregoing Joint Application, I have read and understood the same, and I affirm that the allegations stated therein are true and correct of my own personal knowledge and based on authentic records.
3. On 9 March 2012, MERALCO filed its Application with the Energy Regulatory Commission for the approval of the Power Supply Agreement (PSA) it entered into with MPPCL, which was docketed as ERC Case No. 2012-036 RC, and which involves facts and issues similar to the present Joint Application except for the extension of the Term of the PSA.
4. Other than the above-disclosed proceeding, to the best of my personal knowledge, no such action or proceeding is pending before this Honorable Commission or any other courts or tribunal or quasi-judicial agency; and if I should thereafter learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or any other tribunal or agency, I undertake to report that fact within five (5) days therefrom to this Honorable Commission.

IN WITNESS WHEREOF, I have hereunto affixed my signature on this NOV 17 2016 day of _____ 2016 at Pasig City, Metro Manila.



RONNIE L. APEROCHO
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME, this NOV 17 2016 day of _____ at Pasig City, with affiant personally appearing and exhibiting the following

Affiant	Government-ID; Date of Issuance
Ronnie L. Aperocho	Passport ID with No. EB9627487; Nov. 20, 2013/Manila

bearing his photograph and signature, and personally signing before me the foregoing document and acknowledged that he executed the same.

Doc No. 62 ;
Page No. 14 ;
Book No. IV ;
Series of 2016.


ATTY. MONICA M. MARTIN
NOTARY PUBLIC
Pasig, Pateros, Taguig & San Juan
Issued on July 13, 2015 at Pasig City
until December 31, 2016
Roll No. 55693; IBP No. 1023726; 01/08/16; RSM Chapter
PTR No. 1473411; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City

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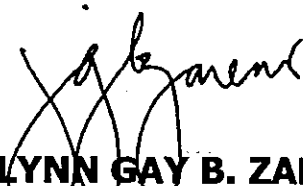
By:


LUTHER D. RAMOS

Roll No. 50919
IBP No. LRN 09466/Cagayan
PTR No. 5323313/1-4-16/Makati City
MCLE Compliance No. V-0018789/4-01-2016


FIDEL T. VALEROS, JR.

Roll No. 51029
IBP No. LRN 011317/01-02-2013/Quezon City
PTR No. 5323315/01-04-2016/Makati City
MCLE Compliance No. V-0012840/12-09-15


JEWELYNN GAY B. ZARENO

Roll No. 62528
IBP 1017164/01-05-2016/Cavite City
PTR No. 5323339/ 01-04-2016/Makati City
MCLE Compliance No. V-0014982/02-19-2016

REPUBLIC OF THE PHILIPPINES)
MAKATL CITY) S.S.

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

I, **GONZALO B. JULIAN, JR.**, Filipino, of legal age, and with office address at 18th floor, Bench Tower, 30th Street corner Rizal Drive, Crescent Park West 5, Bonifacio Global City, Taguig City, 1634 Philippines, after being sworn to in accordance with law, hereby depose and state that:

1. I am the authorized representative of **Masinloc Power Partners Co. Ltd.** (the Partnership”), a co-applicant in the instant application.

2. In my capacity as such, and being the duly authorized officer of the Partnership, I have caused the preparation of the foregoing application and have read and understood the contents thereof.


A copy of the Partner’s Certificate dated 17 November 2016 evidencing my authority is hereto attached and made an integral part hereof as Annex “A”.

3. I hereby certify that all the factual allegations therein are true and correct of my own personal knowledge and based on authentic records of the Partnership in my possession.

4. I attest to the authenticity of the attached documents.

5. In compliance with Rule 7, Section 5 of the 1997 Rules of Civil Procedure, I hereby certify that: (a) the Partnership has not commenced any similar action or proceeding involving the same issues in the Supreme Court, the Court of Appeals or different divisions thereof or any other tribunal or agency; (b) to the best of my knowledge, no such similar action or proceedings is pending before the Supreme Court, the Court of Appeals of different divisions thereof or any other tribunal or agency; (c) if there is any such similar action or proceeding which is either pending or may have terminated, I will heretofore state the status thereof; and (d) if I should thereafter learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals or different divisions thereof or any other tribunal or agency, I undertake to report that fact within five (5) days therefrom to this Honorable Office.


IN WITNESS WHEREOF, I have signed this Verification and Certification Against Forum-Shopping on NOV 17 2016 at MAKATL CITY City, Philippines.


GONZALO B. JULIAN, JR.
Affiant

SUBSCRIBED AND SWORN TO before me this NOV 17 day of 2016 November 2016 in MAKATI CITY, affiant exhibited to me his Passport with number EC2839677 issued in Manila, Philippines and valid until 25 November 2019.

Doc No. 325 ;
Page No. 106 ;
Book No. III ;
Series of 2016.




JAN ALDRIN C. RAMOS
NOTARY PUBLIC FOR MAKATI CITY
Appointment No. M-511 (2015-2016)
Commission Expires on December 31, 2016
Roll No. 64313
BP No. LRN 013644/04-07-2015/ Makati City
PTR No. 5323329/01-04-2016/Makati City
10F 8 Rockwell, Hidalgo corner Plaza Drive
Rockwell Center, Makati City

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

AFFIDAVIT OF SERVICE

I, ERWIN F. CIERVA, as liaison officer of Manila Electric Company, at address at 7th Floor Lopez Bldg., MERALCO Compound, Ortigas Avenue, Pasig City, after being duly sworn, depose and say:

That on 21 November 2016, at around 1:00 to 2:30 P.M. I served a copy of the following pleading/paper:

JOINT APPLICATION WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

in ***IN THE MATTER OF THE APPLICATION FOR THE APPROVAL OF THE EXTENSION OF THE POWER SUPPLY AGREEMENT (PSA) BETWEEN MANILA ELECTRIC COMPANY (MERALCO) AND MASINLOC POWER PARTNERS CO., LTD. (MPPCL), WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION; ERC CASE NO. 2016-180 RC*** pursuant to Rule 10 of the 2006 ERC Rules of Practice and Procedure and, suppletorily, Sections 3, 4, 5 and 10, Rule 13 of the Rules of Court, as follows:

By Personal Service to:

REYNALDO R. SAN BUENAVENTURA III
Acting City Council Secretary
Sangguniang Panlungsod ng City
Government of Pasig

// By delivering personally a copy to the party or his/her attorney on _____, 2016, as shown on p. _____.

// By leaving a copy in his/her office with his/her clerk or with a person having charged thereof on _____, 2016, as shown on p. _____.

// By delivering personally a copy to the Court/Tribunal/Office on _____, 2016, as shown on p. _____.

By attempting to deliver a copy to the party in his office but the party is on leave so his/her office cannot receive any document without the party.


Pasig City, Philippines, 21 November 2016.



AFFIANT

SUBSCRIBED AND SWORN to before me in the City of Pasig this day above-dated by Mr. Erwin F. Cierva, affiant exhibited to me his UMID with CRN-0034-0572296-4, bearing his photograph and signature, and who is the same person who personally signed before me the foregoing and acknowledged that he executed the same.

Doc. No. 66 ;
Page No. 15 ;
Book No. IV ;
Series of 2016.


ATTY. MONICA M. MARTIN
NOTARY PUBLIC
Pasig, Pateros, Taguig & San Juan
Issued on July 13, 2015 at Pasig City
until December 31, 2016
Roll No. 55693; IBP No. 1023726; 01/08/16; RSM Chapter
PTR No. 1473411; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City

MASINLOC POWER PARTNERS CO. LTD.

Masinloc Coal-Fired Thermal Power Plant
Barangay Bani, Masinloc, Zambales
Tel: + 63 2 459 2600



18 November 2016

Hon. Vice-Mayor Pedro Enciso
Office of the Vice-Mayor of Masinloc
Masinloc, Zambales

Dear Hon. Vice-Mayor Enciso,

Please be informed that **MASINLOC POWER PARTNERS CO., LTD. ("MPPCL")** and **MANILA ELECTRIC COMPANY ("MERALCO")** will file an Application with the Energy Regulatory Commission ("ERC"), docketed as ERC Case No. 2016-180RC, entitled *In the Matter of the Application for the Approval of the Extension of the Power Supply Agreement Between Manila Electric Company (MERALCO) and Masinloc Power Partners Co. Ltd. (MPPCL), with Motion For Confidential Treatment of Information.*

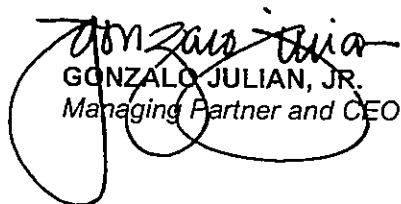
In compliance with the requirements of Republic Act No. 9136 otherwise known as The *Electric Power Industry Reform Act ("EPIRA")* and its Implementing Rules and Regulations ("IRR"), and the Order of the ERC dated 11 October 2016, we respectfully provide herewith a copy of the following documents:

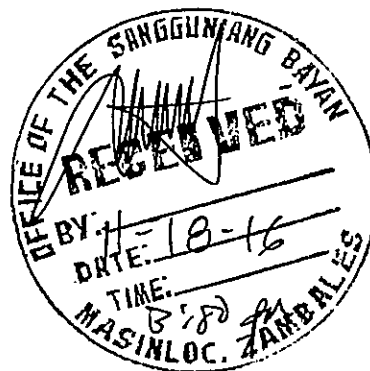
1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

We also would like to request for a **Certification** from your office attesting that the Office of the Sangguniang Bayan of Masinloc, Zambales was duly served with a copy of the foregoing documents. Under the EPIRA-IRR and ERC Rules, the Certification should be issued by the Presiding Officer of the Sangguniang Bayan, or his/her duly authorized representative, and bearing the seal of the office. We attach a draft Certification for your reference.

Thank you for your assistance on this matter.

Yours sincerely,


GONZALO JULIAN, JR.
Managing Partner and CEO





Republic of the Philippines
PROVINCE OF ZAMBALES
MUNICIPALITY OF MASINLOC
OFFICE OF THE SANGGUNIANG BAYAN

CERTIFICATION OF RECEIPT

This is to certify that on November 18, 2016, the Office of the Sangguniang Bayan of Masinloc, Zambales duly received the following documents:

1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

This is in relation to the application entitled:

IN THE MATTER OF THE APPLICATION FOR THE APPROVAL OF THE EXTENSION OF THE POWER SUPPLY AGREEMENT BETWEEN MANILA ELECTRIC COMPANY (MERALCO) AND MASINLOC POWER PARTNERS CO. LTD. (MPPCL), WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

ERC CASE NO. 2016-180RC

MANILA ELECTRIC COMPANY (MERALCO) AND MASINLOC POWER PARTNERS CO., LTD. (MPPCL),

Applicants.

X-----X


DENNIS B. LEYCO

(Signature above printed name)

Secretary to the SB
(Designation)

November 18, 2016
(Date)

MASINLOC POWER PARTNERS CO. LTD.

Masinloc Coal-Fired Thermal Power Plant
Barangay Bani, Masinloc, Zambales
Tel: + 63 2 459 2600



18 November 2016

Honorable Governor Amor D. Deloso
Office of the Governor of Zambales
Iba, Zambales

Dear Hon. Governor Deloso,

Please be informed that **MASINLOC POWER PARTNERS CO., LTD. ("MPPCL")** and **MANILA ELECTRIC COMPANY ("MERALCO")** will file an Application with the Energy Regulatory Commission ("ERC"), docketed as ERC Case No. 2016-180RC, entitled *In the Matter of the Application for the Approval of the Extension of the Power Supply Agreement Between Manila Electric Company (MERALCO) and Masinloc Power Partners Co. Ltd. (MPPCL), with Motion For Confidential Treatment of Information.*

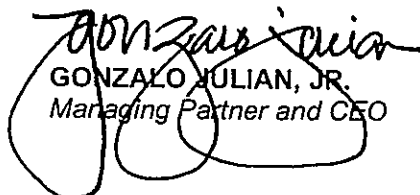
In compliance with the requirements of Republic Act No. 9136 otherwise known as The *Electric Power Industry Reform Act ("EPIRA")* and its Implementing Rules and Regulations ("IRR"), and the Order of the ERC dated 11 October 2016, we respectfully provide herewith a copy of the following documents:

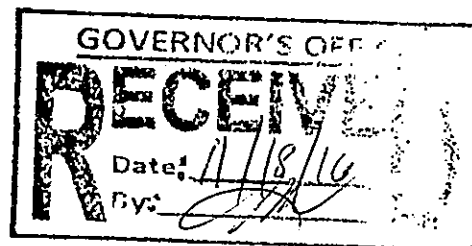
1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

We also would like to request for a **Certification** from your office attesting that the Office of the Governor of Zambales was duly served with a copy of the foregoing documents. Under the EPIRA-IRR and ERC Rules, the Certification should be issued by the Provincial Governor, or his duly authorized representative, and bearing the seal of the office. We attach a draft Certification for your reference.

Thank you for your assistance on this matter.

Yours sincerely,


GONZALO JULIAN, JR.
Managing Partner and CEO





REPUBLIC OF THE PHILIPPINES
OFFICE OF THE GOVERNOR
PROVINCE OF ZAMBALES
IBA

CERTIFICATION OF RECEIPT

This is to certify that on Today Nov 18, 2016, the Office of the Governor of Zambales duly received the following documents:

1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

This is in relation to the application entitled:

IN THE MATTER OF THE APPLICATION FOR THE APPLICATION FOR THE APPROVAL OF THE EXTENSION OF THE POWER SUPPLY AGREEMENT BETWEEN MANILA ELECTRIC COMPANY (MERALCO) AND MASINLOC POWER PARTNESS CO. LTD. (MPPCL), WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

ERC CASE NO. 2016-180RC

MANILA ELCTRIC COMPANY (MERALCO) AND MASINLOC POWER PARTNERS CO., LTD. (MPPCL),

Applicants.

X-----X

Agnes P. PAVASE
AGNES P. PAVASE

(Signature above printed name)

Exec. Assistant I

(Designation)

Nov. 18, 2016

(Date)

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)

AFFIDAVIT OF SERVICE

I, **JEREMY HERMOSILLA SAMANIEGO**, Filipino, of legal age, after having been sworn to in accordance with law, hereby depose and state that:

1. I am an employee of Masinloc Power Partners Co., Ltd., with office address at Brgy. Bani, Masinloc, Zambales.

2. On 18 November 2016, I served copies of the: a.) Joint Application of Manila Electric Company ("**MERALCO**") and Masinloc Power Partner Co., Ltd. for approval of their Power Supply Agreement together with its Annexes; and, b.) ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC, to the office of the Sangguniang Panlalawigan and office of the Mayor of Masinloc, Zambales.

3. Attached as Annexes A and B are the covering letters, regarding the service of the foregoing documents, stamped "RECEIVED" by the offices of the Vice-Governor of Zambales and Municipal Mayor of Masinloc, Zambales.

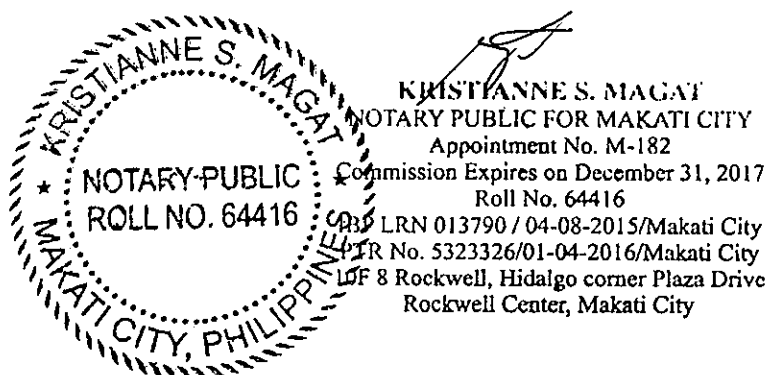
IN WITNESS WHEREOF, I have hereunto set my hand this 21st of November 2016 in Makati City, Metro Manila.


JEREMY HERMOSILLA SAMANIEGO
Affiant

SUBSCRIBED AND SWORN to before me, this 21st day of November 2016, at Makati City, Philippines, affiant exhibiting her Tax Identification No. 491222246

Notary Public

Doc. No. 217 ;
Page No. 3 ;
Book No. II ;
Series of 2016.



MASINLOC POWER PARTNERS CO. LTD.

Masinloc Coal-Fired Thermal Power Plant
Barangay Bani, Masinloc, Zambales
Tel: + 63 2 459 2600



18 November 2016

Hon. Vice-Governor Angel Magsaysay
Office of the Vice-Governor of Zambales
Iba, Zambales

Dear Hon. Vice-Governor:

Please be informed that **MASINLOC POWER PARTNERS CO., LTD. ("MPPCL")** and **MANILA ELECTRIC COMPANY ("MERALCO")** will file an Application with the Energy Regulatory Commission ("ERC"), docketed as ERC Case No. 2016-180RC, entitled *In the Matter of the Application for the Approval of the Extension of the Power Supply Agreement Between Manila Electric Company (MERALCO) and Masinloc Power Partners Co. Ltd. (MPPCL), with Motion For Confidential Treatment of Information.*

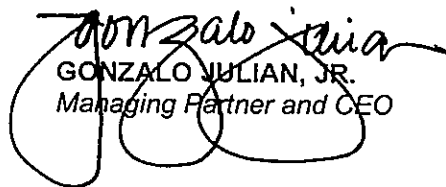
In compliance with the requirements of Republic Act No. 9136 otherwise known as The *Electric Power Industry Reform Act ("EPIRA")* and its Implementing Rules and Regulations ("IRR"), and the Order of the ERC dated 11 October 2016, we respectfully provide herewith a copy of the following documents:

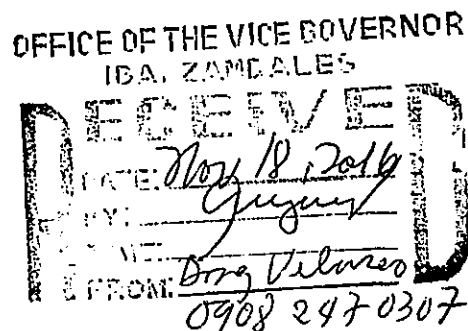
1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

We also would like to request for a **Certification** from your office attesting that the Office of the Sangguniang Panlalawigan of Masinloc, Zambales was duly served with a copy of the foregoing documents. Under the EPIRA-IRR and ERC Rules, the Certification should be issued by the Presiding Officer of the Sangguniang Panlalawigan, or his/her duly authorized representative, and bearing the seal of the office. We attach a draft Certification for your reference.

Thank you for your assistance on this matter.

Yours sincerely,


GONZALO JULIAN, JR.
Managing Partner and CEO



MASINLOC POWER PARTNERS CO. LTD.

Masinloc Coal-Fired Thermal Power Plant
Barangay Bani, Masinloc, Zambales
Tel: + 63 2 459 2600



18 November 2016

Hon. Arsenia J. Lim
Office of the Mayor of Masinloc
Masinloc, Zambales

Dear Hon. Mayor Lim,

Please be informed that MASINLOC POWER PARTNERS CO., LTD. ("MPPCL") and MANILA ELECTRIC COMPANY ("MERALCO") will file an Application with the Energy Regulatory Commission ("ERC"), docketed as ERC Case No. 2016-180RC, entitled *In the Matter of the Application for the Approval of the Extension of the Power Supply Agreement Between Manila Electric Company (MERALCO) and Masinloc Power Partners Co. Ltd. (MPPCL), with Motion For Confidential Treatment of Information.*

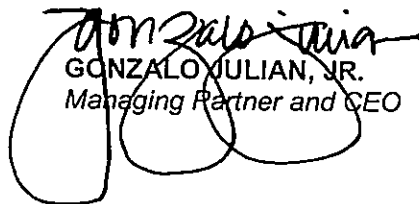
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1. ERC Order dated 11 October 2016 in ERC Case No. 2016-180RC; and
2. Application with attachments.

We also would like to request for a **Certification** from your office attesting that the Office of the Mayor of Masinloc, Zambales was duly served with a copy of the foregoing documents. Under the EPIRA-IRR and ERC Rules, the Certification should be issued by the Municipal Mayor, or her duly authorized representative, and bearing the seal of the office. We attach a draft Certification for your reference.

Thank you for your assistance on this matter.

Yours sincerely,


GONZALO JULIAN, JR.
Managing Partner and CEO

