

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City

**IN THE MATTER OF THE  
APPLICATION FOR  
APPROVAL OF THE POWER  
SUPPLY AGREEMENT (PSA)  
BETWEEN NEGROS  
ELECTRIC AND POWER  
CORP. (NEPC) AND  
THERMA VISAYAS, INC.  
(TVI), WITH PRAYER FOR  
PROVISIONAL AUTHORITY  
OR INTERIM RELIEF AND  
MOTION FOR  
CONFIDENTIAL  
TREATMENT OF  
INFORMATION**

**ERC CASE NO. 2025-204 RC**

**NEGROS ELECTRIC AND  
POWER CORP. (NEPC) AND  
THERMA VISAYAS, INC.  
(TVI),**

*Applicants.*

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**Promulgated:**  
January 22, 2026

**NOTICE OF VIRTUAL HEARING**

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 03 December 2025, Negros Electric and Power Corporation (NEPC) and Therma Visayas, Inc. (TVI) filed a *Joint Application*, dated 11 November 2025, seeking the Commission’s approval of their Power Supply Agreement (PSA), with prayer for provisional authority or interim relief, and motion for confidential treatment of information.

The docketed copy of the *Joint Application*, excluding its annexes, is attached as Annex “A” of the *Notice of Virtual Hearing*.

The Commission has set the instant *Joint Application* for hearing, pursuant to the pertinent rules of the Commission, as follows:

Date and Time	Platform	Activity
<b>20 February 2026</b> (Friday) at nine o'clock in the morning (9:00 A.M.)	<b>Microsoft Teams</b>	Determination of compliance with jurisdictional requirements and Expository Presentation
<b>27 February 2026</b> (Friday) at nine o'clock in the morning (9:00 A.M.)		Pre-Trial Conference and Presentation of Evidence

Accordingly, Applicants are hereby directed to mirror the virtual hearings, to be hosted by the Commission, at **NEPC’s principal office at The Row, Lacson St., Brgy. Bata, Bacolod City** as the designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, Applicants shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

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

Moreover, all persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnishing the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), a verified Petition to Intervene at **least five (5) calendar days** prior to the date of the initial virtual hearing. The verified Petition to Intervene must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicate therein the docket number and title of the case, and state the following:

- 1) The petitioner’s name, mailing address, and e-mail 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.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), their Opposition or Comment thereon at **least five (5) calendar days** prior to the initial virtual hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name, mailing address, and e-mail address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

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**ERC CASE NO. 2025-204 RC**  
**NOTICE OF VIRTUAL HEARING**  
**PAGE 4 OF 4**

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Finally, all interested persons may be allowed to join the scheduled virtual hearing by providing the Commission, thru [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), their respective e-mail addresses and indicating therein the case number of the instant *Joint Application*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

**WITNESS**, the Honorable Chairperson and CEO **FRANCIS SATURNINO C. JUAN**, and the Honorable Commissioners **FLORESINDA G. BALDO-DIGAL**, **MARKO ROMEO L. FUENTES**, **AMANTE A. LIBERATO**, and **PARIS G. REAL**, Energy Regulatory Commission, in Pasig City.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**ATTY. MARIA CORAZON C. GINES\***  
*Director III, Legal Service*

  
LS: JRDS/MVM

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\* Authority granted during Commission Meeting on 20 August 2025.

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City

**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE POWER  
SUPPLY AGREEMENT  
BETWEEN NEGROS ELECTRIC  
AND POWER CORP. (NEPC)  
AND THERMA VISAYAS, INC.  
(TVI) AND , WITH PRAYER FOR  
PROVISIONAL AUTHORITY OR  
INTERIM RELIEF AND MOTION  
FOR CONFIDENTIAL  
TREATMENT OF INFORMATION**

**ERC Case No. 2025-[204](#) RC**

[December 03, 2025](#)

**NEGROS ELECTRIC AND  
POWER CORP. (NEPC) AND  
THERMA VISAYAS, INC. (TVI),**

*Applicants.*

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**JOINT APPLICATION  
with PRAYER FOR PROVISIONAL AUTHORITY OR  
INTERIM RELIEF and MOTION FOR CONFIDENTIAL  
TREATMENT OF INFORMATION**

Applicants **NEGROS ELECTRIC AND POWER CORP. (NEPC)**  
and **THERMA VISAYAS, INC. (TVI)**, through their respective  
undersigned counsels, respectfully state:

**PARTIES**

1. Applicant NEPC is a distribution utility (DU) duly  
organized and existing under the laws of the Philippines with

principal office address at The Row, Lacson St., Brgy. Bata, Bacolod City. It is the holder of a franchise under Republic Act No. 12011 (R.A. 12011).<sup>1</sup> NEPC, is a duly franchise holder to construct, install, establish, operate, own, manage, and maintain in the public interest, and for commercial purposes, a distribution system for the conveyance of electric power to the end-users in the Cities of Bacolod, Silay, Talisay, and Bago in the Municipalities of Murcia and Don Salvador Benedicto, all in the province of Negros Occidental.<sup>2</sup>

2. Applicant TVI is a generation company duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal place of business at Barangay Bato, Toledo City, Cebu. TVI is the owner and operator of a power plant composed of a coal-fired power plant, with a rated capacity of 353.94 MW continuous output at 60Hz, including required ancillaries and spare parts, located in Toledo City, Cebu.

3. Applicants may be served with notices, orders, and other processes of this Honorable Commission through their respective counsel at the addresses indicated below.

### **NATURE OF THE APPLICATION**

4. The instant *Joint Application* for approval of the *Power Supply Agreement* entered into by and between the Joint Applicants dated 22 October 2025 (the PSA) is being submitted to the Honorable Commission for its review and approval pursuant to Sections 25<sup>3</sup> and 45(b)<sup>4</sup> of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), Rule 20(B) of the Honorable Commission's Resolution No. 01, Series of 2021 (ERC RRPP),<sup>5</sup> and Article VIII of the Honorable Commission's Resolution No. 16, Series of 2023<sup>6</sup> (2023 CSP Guidelines).

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<sup>1</sup> An Act Granting the Negros Electric Power Corp. a Franchise to Establish, Operate and Maintain, for Commercial Purposes and in the Public Interest, a Distribution System for the Conveyance of Electric Power to the End Users in the Cities of Bacolod, Silay, Talisay, and Bago and the Municipalities of Murcia and Don Salvador Benedicto, All in the Province of Negros Occidental, and Ensuring Continuous and Uninterrupted Supply of Electricity in the Franchise Area.

<sup>2</sup> *Id.*

<sup>3</sup> SECTION 25. Retail Rate. – The retail rates charged by distribution utilities for the supply of electricity in their captive market shall be subject to regulation by the ERC based on the principle of full recovery of prudent and reasonable economic costs incurred, or such other principles that will promote efficiency as may be determined by the ERC.

<sup>4</sup> SECTION 45. Cross Ownership, Market Power Abuse and Anti-Competitive Behavior. – xxx  
(b) Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC: xxx.

<sup>5</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

<sup>6</sup> Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements Entered Into by Distribution Utilities for the Supply of Electricity To Their Captive Market.

5. Section 23 of the EPIRA mandates that a distribution utility has the obligation to supply electricity in the least cost manner to its captive market, subject to collection of retail rate duly approved by this Honorable Commission. In relation to this, Section 45 (b) of the EPIRA expressly allows distribution utilities to enter into bilateral power supply contracts subject to the review of this Honorable Commission. It is consistent with the State's policy to ensure the quality, reliability, security, and affordability of the supply of electric power.<sup>7</sup>

6. The subject PSA was procured through a Competitive Selection Process (CSP) via public bidding conducted by the NEPC, in accordance with Department of Energy (DOE) Department Circular No. DC2023-06-0021, and the 2023 CSP Guidelines.

## **STATEMENT OF FACTS**

### **COMPETITIVE SELECTION PROCESS**

7. NEPC is in need of a supply of electricity for its power requirements to meet the demand of its captive customers beginning 26 November 2025 until 25 November 2030. To initially fill this need, NEPC procured 20 MW of power supply for its baseload requirement from Palm Concepcion Power Corp (PCPC) under an Emergency Power Supply Agreement (EPSA) that was procured pursuant to Section 5 of R.A. 12011 that was submitted to the Honorable Commission and docketed as ERC Case No. 2025-041 RC and is set to expire on 25 November 2025.

8. To address the power requirement for the remaining period, NEPC conducted a CSP to procure power supply for a period of five (5) years based on the above-mentioned issuances of the DOE and this Honorable Commission.

9. NEPC issued a Secretary Certificate dated 17 June 2025, creating a Third Party Bids and Awards Committee (TPBAC) to conduct the CSP. Accordingly, the TPBAC commenced and conducted the CSP for the procurement of NEPC's baseload supply. A summary of the key dates and events of the CSP is provided below:

9.1. The *Invitation to Bid* for the CSP was published in The Manila Times newspaper on 15 and 22 July 2025. The Invitation to Bid was also posted in the DOE CSP Portal and the website of NEPC. Thirteen (13) participants submitted their Expressions of Interest in the CSP namely: Sual Power Inc.

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<sup>7</sup> EPIRA, Sec. 2 (b).

(SPI), Malita Power Inc. (MPI), GNPowder Kauswagan Ltd. Co., Sem-Calaca Power Corporation (SCPC), Palm Concepcion Power Corp. (PCPC), First Natgas Power Corp., GNPowder Mariveles Energy Center Ltd. Co., Panay Energy Development Corp. (PEDC), South Luzon Thermal Energy Corporation, ACEN Corporation (ACEN), Therma Luzon Inc.(TLI), Therma South Inc. (TSI) and applicant Therma Visayas Inc. (TVI). Among the thirteen (13) participants, seven (7) submitted their bids namely: ACEN, MPI, PCPC, PEMC, SCPC, SPI, and applicant TVI.

9.2. *Invitations to CSP Observers* were sent inviting certain groups to participate as CSP Observers in the Pre-Bid Conference, including the DOE, ERC, Caritas Bacolod-Social Action Center, Network of Concerned Citizens, Freedom from Debt Coalition, Amlig Kuryente, and local government units.

9.3. The Pre-Bid Conference conducted by the BAC was held on 11 August 2025.

9.4. Further, the following *Bid Bulletins* (“BB”) were issued by the BAC throughout the CSP process:

BB No.	Date Issued	Description
001	11 August 2025	TPBAC Responses to the Comments and Questions on the Terms of Reference and Instructions to Bidders
002	14 August 2025	Change in Indicative Schedule
003	31 August 2025	TPBAC Responses to the Comments and Questions on the Terms of Reference and Instructions to Bidders, and Issuance of Final Instructions to Bidders

These BBs were also posted on the NEPC website.

9.5. On 16 September 2025, the bid submission date, ACEN, MPI, PCPC, PEMC, SCPC, SPI, and applicant TVI. timely submitted their respective proposals.

9.6. The respective proposals of ACEN, MPI, PCPC, PEMC, SCPC, SPI and applicant TVI were evaluated based on the parameters outlined in the final instructions to Bidders issued by the TPBAC, with applicant TVI emerging as the bidder with the lowest calculated responsive bid.



9.7. On 29 September 2025, the TPBAC issued Resolution No. 001, Series of 2025, declaring TVI as the winner for having the lowest levelized rate and recommending to award the NEPC's baseload power supply requirement to TVI.

9.8. On 6 October 2025, the *Notice of Award* was issued to applicant TVI, by the TPBAC.

9.9. On 22 October 2025, applicants NEPC and TVI executed the PSA, subject of this instant *Joint Application*, for a contracted capacity of 20 MW for a term of five (5) years from the Delivery Date or upon issuance of ERC's approval, whichever is later.

9.10. Notably, since the PSA was a result of a CSP, it may be presumed that the subject PSA, including all terms and conditions therein, is in accordance with all the relevant policies and rules of the DOE, and the Honorable Commission.

10. Hence, this instant *Joint Application* for the approval of the PSA between NEPC and TVI.

### **SALIENT TERMS OF THE PSA**

11. The PSA between NEPC and TVI, a copy of which is attached as **Annex "A"**, contains the following salient features:

11.1. **Contract Term.** This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for **five (5) years** from the Delivery Date or upon issuance of ERC's approval, whichever is later.

11.2. **Delivery Date.** TVI shall commence delivery of Contract Capacity to Buyer on Delivery Date. The Delivery Date shall be on **November 26, 2025** or the 26th day of the calendar Month immediately following the date in which the ERC issues a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued, whichever comes later.

11.3. **Contract Capacity and Contract Energy.** TVI shall make available the Contract Capacity and deliver the Contract Energy, and NEPC shall receive and pay for the Contract Capacity and Contract Energy, from the Power Plant to NEPC during the Billing Periods specified in

Schedule 4, at the Delivery Points specified in Schedule 3, and at the rates specified in Schedule 4.

**SCHEDULE 2**

CONTRACT CAPACITY AND/OR CONTRACT ENERGY

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Monthly Minimum Contract Energy* (kWh), if any	Hourly Minimum Nomination (kWh)
January	24	20,000	14,880,000	14,880,000	10,000
February	24	20,000	14,880,000	14,880,000	10,000
March	24	20,000	13,440,000	13,440,000	10,000
April	24	20,000	14,880,000	14,880,000	10,000
May	24	20,000	14,400,000	14,400,000	10,000
June	24	20,000	14,880,000	14,880,000	10,000
July	24	20,000	14,400,000	14,400,000	10,000
August	24	20,000	14,880,000	14,880,000	10,000
September	24	20,000	14,880,000	14,880,000	10,000
October	24	20,000	14,400,000	14,400,000	10,000
November	24	20,000	14,880,000	14,880,000	10,000
December	24	20,000	14,400,000	14,400,000	10,000

\*Note: Monthly Minimum Contract Energy (MMCE) refers to the total Monthly energy equivalent to 100% load factor of the Contract Capacity subject to adjustment due to force majeure and Negros Power system outage at the substation level. The MMCE reckoned Monthly will be the basis in charging the fixed component of the electricity fee (Capital Recovery Fee (CRF) and Fixed Operations and Maintenance (O&M)).

11.4. **Outage Allowance.** There shall be Zero Outage Allowance. Outages shall be subject to the provisions on Replacement Power.

11.5. **Replacement Power.** TVI shall provide replacement power in following cases, except during Force Majeure Events:

- 1. During any delay of the Start of Delivery of Supply; and
- 2. When its power plant is on scheduled or

unscheduled outage to ensure continuity of supply in compliance with the cooperation period.

The replacement power rate shall follow the computation for Electricity Fees specified in Schedule 4.

Replacement power shall be the obligation of the Seller. In the event of failure by the Seller to provide the replacement power, the DU shall be allowed to source the replacement power at the expense of the Seller.

**11.6. Payment of Fees.** NEPC shall pay TVI an amount equal to the Electricity Fees in accordance with *Schedule 4* for the Contract Capacity and Contract Energy made available and delivered during each Billing Period.

Further, NEPC shall bear all costs of such transmission service, from the Delivery Point up to the Receiving Point including the cost of any electric losses incurred in such transmission. Provided, however, that the cost of Line Rental shall be for the account of the Seller, subject to a maximum of Thirty Centavos (Php0.30) per kilowatt-hour (kWh); any Line Rental charges in excess of such cap shall be for the sole account of NEPC.

*Provided further* that, 1) there should be no offsetting of payment between NEPC and TVI; 2) withholding of disputed amounts, except for the inadvertent mistake in the amount; 3) If an invoice is not disputed within 30 days after payment, it is deemed to be accepted, final, and binding to NEPC and TVI.

**11.7. Billing to NEPC.** Each Billing Statement shall be due and payable on the twenty-fifth (25th) Day of the Payment Month or the date that is fifteen (15) Days from NEPC's receipt of the Billing Statement, whichever comes later ("Due Date"). If the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where NEPC holds principal office, then payment shall be made on the immediately succeeding Business Day.

All sums indicated in the Billing Statement shall be paid by the NEPC in Philippine Pesos, through a bank check or bank transfer to a nominated bank of TVI.

**11.8. Electricity Fees.** Refers to the total amount of charges due from NEPC in respect of the Contract

Capacity and all Energy supplied by TVI during a Billing Period, computed in accordance with *Schedule 4*:

**SCHEDULE 4**

**ELECTRICITY FEES, INDEXATION AND ADJUSTMENT**

The Buyer shall pay the Seller for the Energy/Capacity at the following Fees and as adjusted on a Monthly basis pursuant to the following formula:

**TGC = A + B + C + D + E**

Where:

**TGC** = Total Generation Charge in PhP for the Billing Period

A = Capital Recovery Fee as defined in the Bid Documents at 1.8544 PhP/kWh, multiplied by 100% Contract Energy for the billing period y

B = Fixed Operation and Maintenance Fee as defined in the Bid Documents at 0.8175 PhP/kWh multiplied by 100% Contract Energy for the billing period

C= Variable Operation and Maintenance Fee as defined in the Bid Documents at 0.0000 PhP/kWh multiplied by the total energy delivered for the billing period

D = Fuel Cost

$$Fuel\ Cost = \left[ 1.6410 \times \left( \frac{ICI\ 4_{M-1}}{ICI\ 4_o} \right) + 0.6465 \right] \times \left( \frac{FX_M}{FX_o} \right) \times TED$$

Where:

ICI4<sub>M-1</sub> = Monthly average of the Indonesian Coal Index 4 (basis 4200 GAR/3800 NAR) as published by the Argus/Coalindo for Indonesian Coal Index Report for the Month preceding the current billing Month

ICI4<sub>o</sub> = 42.53 \$/MT, average ICI 4 based on August 2025

FX<sub>M</sub> = Monthly average peso to dollar exchange as published in the Bangko Sentral ng Pilipinas website for the current billing Month.

FX<sub>o</sub> = 57.253 PhP:USD, average exchange rate based on August 2025

TED = total energy delivered for the billing period

E = All future taxes, fees and imposts (including increases, or

adjustments thereon and increases, or adjustments on existing taxes, fees and imposts), such as but not limited to real property taxes, excise taxes, market fees, Benefits to Host Communities, and other future charges imposed on the Power Plant for the generation of electricity, in Philippines Pesos.

11.9. **Taxes.** All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to NEPC arising from or in connection with its rights and obligations under this Agreement or imposed or assessed by any Governmental Authority on or in connection with the purchase and sale of electricity (except for the VAT) shall be paid by NEPC in a timely manner. Thus, under the PSA, VAT on the electricity fees shall be shouldered by TVI.

12. NEPC simulated a rate impact analysis based on actual billing for September 2025. The indicative rate impact on its overall generation rate with and without supply from TVI under the PSA are as follows:

NEPC’s Generation Rate (Php/kWh)		
Without TVI PSA	With TVI PSA	Rate Impact
6.7415	6.5078	(0.2337)

13. As shown in the rate impact analysis, the implementation of the PSA between NEPC and TVI will benefit NEPC and its consumers with an estimated generation rate reduction of **Php 0.2337/kWh**. Thus, the PSA subject of this *Joint Application* will ultimately provide NEPC’s end-users with a continuous and reliable supply of electricity at affordable rates.

14. In addition to the rate impact analysis, Applicants wish to emphasize that the conduct of CSP ensures the provision of least cost supply to consumers.

15. In the case of *Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy Regulatory Commission, et. al.*<sup>8</sup> (“*Alyansa Case*”), the Supreme Court held that the competitive public bidding is the most efficient, transparent, and effective guarantee that there will be no price gouging by distribution utilities, thus:

As part of its regulation of this monopoly, the State requires distribution utilities to subject to **competitive public bidding** their purchases of electricity from power generating companies. Competitive public bidding is **essential** since the power cost

<sup>8</sup> G.R. No. 227670, Decision dated 3 May 2019.

purchased by distribution utilities is entirely passed on to consumers, along with their operating expenses of distribution utilities. **Competitive public bidding is the most efficient, transparent, and effective guarantee that there will be no price gouging by distribution utilities.**<sup>9</sup>

16. In the same *Alyansa Case*, the Supreme Court pronounced that **the purpose of the CSP is to ensure transparency and competition in the procurement of power supply by distribution utilities (DUs) so as to provide the least-cost electricity to the consuming public, to wit:**

The 2015 DOE Circular recognized that under the EPIRA, the DOE has the mandate to **“formulate such rules and regulations as may be necessary to implement the objective of the EPIRA,”** where the State policy is to **“[p]rotect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power.”** The 2015 DOE Circular reiterated the EPIRA’s mandate that “all Distribution Utilities (DUs) shall have the obligation to supply electricity **in the least-cost manner to their Captive Market**, subject to the collection of retail rate duly approved by the [ERC].”

The 2015 DOE Circular mandated that DUs, including electric cooperatives, obtain their PSAs through CSP. Section 1 of the 2015 DOE Circular state the principles behind CSP:

Section 1. General Principles. Consistent with its mandate, the DOE recognizes that Competitive Selection Process (CSP) in the procurement of PSAs by the DUs ensures security and certainty of electricity prices of electric power to end-users in the long-term. **Towards this end, all CSPs undertaken by the DUs shall be guided by the following principles:**

**(a) Increase the transparency needed in the procurement process to reduce risks;**

**(b) Promote and instill competition in the procurement and supply of electric power to all end-users;**

**(c) Ascertain least-cost outcomes that are unlikely to be challenged in the future as the political and institutional scenarios should change; and**

**(d) Protect the interest of the general public.** (Boldfacing added)

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<sup>9</sup> Emphasis retained.

In sum, the raison d’etre of CSP is to ensure transparency and competition in the procurement of power supply by DUs so as to provide the least-cost electricity to the consuming public.<sup>10</sup>

17. Considering that the subject PSA was a result of a CSP pursuant to the prevailing DOE Department Circular No. DC2023-06-0021 and the 2023 CSP Guidelines it follows that the rates in the subject PSA already assure that NEPC procured supply of power to its captive market in the least-cost manner. Thus, the rates in the subject PSA should be implemented, as is, using the rates of the winning bid and as-applied before this Honorable Commission.

18. Since the rates provided in the subject PSA are the result of a valid CSP, Applicants respectfully submit that the rates in the subject PSA should be approved by the Honorable Commission, as is and without any adjustments.

19. The Applicants submit the following documents for the evaluation of the *Joint Application*:

Description of Document	Annex
Power Supply Agreement (PSA) between NEPC and TVI dated 22 October 2025	“A”
TVI’s Amended Articles of Incorporation and By-Laws	“B” and series
TVI’s Verified Certification showing the list of Board of Directors and Board Members of the Ultimate Parent Company dated 21 June 2023	“C”
TVI’s Latest General Information Sheet (“GIS”)	“D”
TVI’s Board of Investments (“BOI”) Certificate of Registration No. 2012-176	“E”
Environmental Compliance Certificate (“ECC”) Ref. No. ECC-CO-1506-0018	“F”
Provisional Authority to Operate (“PAO”) No. 24-12-18-M-PAO-E-0366V	“G”
TVI’s Certificate of Endorsement (“COE”) from DOE regarding Philippine Development Plan (“PDP”)	“H”
TVI’s Single-line Diagram Connection	“I”

<sup>10</sup> Underscoring supplied.

<b>TVI’s Transmission Service Agreement, Connection Agreement, and Metering Service Agreement with National Grid Corporation of the Philippines (“NGCP”)</b>	<b>“J” and series</b>
<b>Executive Summary of the PSA</b>	<b>“K”</b>
<b>TVI’s Sample Bill</b>	<b>“L”</b>
<b>TVI’s Write-up on Relevant Technical and Economic Characteristics of the Generation Capacity</b>	<b>“M”</b>
<b>TVI’s Latest Audited Financial Statements</b>	<b>“N”</b>
<b>TVI’s Certification of Non-Applicability, and Write-Up on the Non-Applicability</b>	<b>“O”</b>
<b>TVI’s Certification of the Net Heat Rate (Confidential)*</b>	<b>“P*”</b>
<b>TVI’s Coal Supply Agreement (Confidential)*</b>	<b>“Q*”</b>
<b>Sworn Statement Re: TVI’s Explanation on Coal Procurement Process (Confidential)*</b>	<b>“R*”</b>
<b>TVI’s WESM Registration Approval Form</b>	<b>“S”</b>
<b>NEPC’s Amended Articles of Incorporation</b>	<b>“T”</b>
<b>NEPC’s By Laws</b>	<b>“U”</b>
<b>NEPC’s General Information Sheet 2024</b>	<b>“V”</b>
<b>NEPC’s Certification on Ultimate Parent Company</b>	<b>“W”</b>
<b>NEPC’s Demand Side Management Program</b>	<b>“X”</b>
<b>NEPC’s Explanation on NPC PSALM TSC</b>	<b>“Y”</b>
<b>NEPC’s Supply and Demand Scenario and Average Daily Load Curve</b>	<b>“Z”</b>
<b>NEPC’s Distribution Development Plan</b>	<b>“AA”</b>
<b>NEPC’s Power Supply Procurement Plan</b>	<b>“AA-1”</b>
<b>NEPC’s Single-line Diagram Connection</b>	<b>“BB”</b>
<b>NEPC’s Performance Assessment of the System (SAIFI and SAIDI)</b>	<b>“CC”</b>
<b>NEPC’s Potential Reduction in Load</b>	<b>“DD”</b>



<b>NEPC’s WESM Registration</b>	<b>“EE”</b>
<b>Rate Impact Simulation</b>	<b>“FF”</b>
<b>CSP Documents:</b>	
<b>Brief Description of the CSP Conducted</b>	<b>“GG”</b>
<b>Secretary Certificate dated 17 June 2025 Re Composition of TPBAC</b>	<b>“HH”</b>
<b>Invitation to CSP Observers</b>	<b>“II” and series</b>
<b>Invitation to Bid (ITB) with Terms of Reference (TOR)</b>	<b>“JJ”</b>
<b>Certificate of Conformity</b>	<b>“KK”</b>
<b>Affidavit of Publication</b>	<b>“LL”</b>
<b>Daily Tribune published on 15 July 2025</b>	<b>“LL-1”</b>
<b>Daily Tribune published on 22 July 2025</b>	<b>“LL-2”</b>
<b>Proof of Posting of ITB, TOR at NEPC website and DOE CSP e-based Portal</b>	<b>“MM”</b>
<b>Instructions to Bidders</b>	<b>“NN”</b>
<b>Pre-Bid Conference</b>	<b>“OO”</b>
<b>Checklist for Eligibility of Requirements of All Bidders</b>	<b>“PP”</b>
<b>Bid Bulletins</b>	<b>“QQ” and series</b>
<b>Eligibility Requirements</b>	<b>“RR” and series</b>
<b>Bid Proposals (Confidential)*</b>	<b>"SS"</b>
<b>Abstract of Bids</b>	<b>"TT"</b>
<b>Bid Evaluation Report</b>	<b>“UU”</b>
<b>TPBAC Resolution No. 001, Series of 2025</b>	<b>“VV”</b>
<b>Notice of Award</b>	<b>“WW”</b>
<b>Write-up on Non-Applicability of Posting of Performance Bond</b>	<b>“XX”</b>
<b>Notice to Proceed</b>	<b>“YY”</b>

Draft PSA	"ZZ"
NEPC Affidavit In Support of Prayer for Provisional Authority or Interim Relief	"AAA"

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

**PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF**

20. Under Rule 14 of the ERC RRPP,<sup>11</sup> the Honorable Commission is authorized to issue provisional authority or interim relief, with or without hearing, prior to a final decision, provided the facts and circumstances alleged warrant such remedy.

21. A provisional approval of the NEPC-TVI PSA is necessary to ensure a sufficient and reliable power supply to meet both the current and growing demands of NEPC’s franchise area.

22. As shown in NEPC’s Supply and Demand Scenario, its peak demand as of October 2025 is 214 MW. The NEPC-TVI PSA is urgently needed to address the power deficit and prevent service interruptions that may be brought about by the termination of the EPSA with PCPC.

23. As stated above, the 20 MW contracted capacity sought to be sourced from TVI under the PSA is currently being sourced by NEPC from PCPC, under an EPSA that was procured pursuant to Section 5 of R.A. 12011, which was submitted to the Honorable Commission and docketed as ERC Case No. 2025-041 RC which is set to expire on 25 November 2025. Thus, without the timely issuance of a provisional approval for the PSA by 26 November 2025, NEPC would be exposed to potential price volatility and high prices in the spot market, to the detriment of its captive customers.

24. Furthermore, from the NEPC’s rate impact simulation, it is clear that the implementation of the PSA with TVI would indicatively reduce NEPC’s blended generation rate by **Php 0.2249/kWh**, as compared to if the same power requirements are purchased from WESM.

25. As such, the timely implementation of the NEPC-TVI PSA by 26 November 2025 would readily benefit NEPC and its captive customers as it will ensure the provision of a reliable, secure, and quality supply of electricity in the least cost manner.

<sup>11</sup> ERC Resolution No. 1, Series of 2021.

26. To support the prayer for provisional authority or interim relief, the Affidavit of **Mr. Roel Z. Castro**, President and CEO of NEPC, is attached hereto as **Annex “AAA”** of the *Joint Application*.

**MOTION FOR CONFIDENTIAL TREATMENT OF**  
**ANNEXES “P”, “Q”, “R” and “SS”**

27. Section 1, Rule 4 of the *ERC Revised Rules of Practice and Procedure* provides that a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential. Pursuant to this, Applicants pray that the information contained in the documents enumerated below be treated as CONFIDENTIAL and that the same be continuously protected from public disclosure, except to the officers and staff of the Honorable Commission (collectively referred to as “Confidential Documents”):

Description of Document	Annex
TVI’s Certification of the Net Heat Rate (Confidential)*	“P”
TVI’s Coal Supply Agreement (Confidential)*	“Q”
Sworn Statement Re: TVI’s Explanation on Coal Procurement Process (Confidential)*	“R”
Bid Proposals (Confidential)*	“SS”

28. The Confidential Documents contain financial models, computation/calculation for rate determination, cost components and the detailed proposals of the bidders. Hence, Applicants have actual and valuable proprietary interest to protect such information and data, which fall within the bounds of “trade secrets” that are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

28.1. The foregoing annexes contain non-public, proprietary information and data involving Applicants’ investments, business operations, and financial calculations. Applicants determine, among others, their competitive rates through its power rate calculations, and its financial model through these information. Thus, the methodology thereof is privileged and confidential in nature. Furthermore, these information and data are not generally available to the public. Applicants’ competitiveness will seriously be prejudiced if these information are unduly disclosed.

29. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*,<sup>12</sup> the Supreme Court defined “trade secrets” and explained that:

**“A trade secret is defined as a plan or process, tool, mechanism or compound known only to its owner and those of his employees to whom it is necessary to confide it. The definition also extends to a secret formula or process not patented, but known only to certain individuals using it in compounding some article of trade having a commercial value. A trade secret may consist of any formula, pattern, device, or compilation of information that: (1) is used in one’s business; and (2) gives the employer an opportunity to obtain an advantage over competitors who do not possess the information. Generally, a trade secret is a process or device intended for continuous use in the operation of the business, for example, a machine or formula, but can be a price list or catalogue or specialized customer list. It is indubitable that trade secrets constitute proprietary rights.” (Emphasis supplied.)**

29.1. Moreover, the Honorable Commission categorically acknowledged in its Decision in ERC Case No. 2015-111 RC<sup>13</sup> that formulas and pricing structures of a generation company must be accorded confidential protection, to wit:

**“In the case of PNOC RC, the documents sought to be protected from disclosure contain formula and pricing structures used in arriving at their proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. In the electric power industry w(h)ere prices is[sic] a major consideration in selecting one’s supplier, it is apparent that the assumptions used in arriving at one’s proposed tariff is considered a competitive leverage by one player against its competitors.**

**Thus, the Commission resolves to treat the said documents confidential and may not be publicly disclosed.” (Emphasis supplied).**

29.2. Clearly, the Honorable Commission recognizes the importance of treating pricing structures as confidential in order to ensure competitiveness of the generation sector. This

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<sup>12</sup> 564 Phil. 774 (2007), G.R. No. 172835.

<sup>13</sup> Decision, ERC Case No. 2015-111 RC dated 30 May 2017 entitled “*In the Matter of the Application for Approval of the Power Supply Agreement Between Nueva Ecija II Electric Cooperative, Inc.-Area 2 (NEECO II – Area 2) and PNOC Renewables Corporation (PNOC RC).*”

information, which falls within the definition of a trade secret as defined by jurisprudence, merits the confidential treatment provided for under Rule 4 of the ERC RRPP.

30. Further, the treatment of the information contained in **Annexes “P”, “Q”, “R” and “SS”** as confidential information is consistent with the Honorable Commission’s *Updated Matrix of Confidential and Non-Confidential Document and Information (as of 16 October 2024)* (“Matrix”). In the *Matrix*, financial models, computation/calculation for rate determination and cost components should be treated with confidentiality because they have proprietary value that constitute trade secrets. Therefore, as described above, since the information in the subject documents fall in these categories, **Annexes “P”, “Q”, “R” and “SS”** should likewise be treated with confidentiality. Further, it is stated that “[d]uly accomplished forms showing the detailed offers of the proponents” are confidential. **Annex “SS”** clearly falls under this category and should likewise be treated with confidentiality.

31. In view of the foregoing and pursuant to Rule 4 of the *ERC Revised Rules of Practice and Procedure*, Applicants respectfully request that the attached **Annexes “P”, “Q”, “R” and “SS”** and the information contained therein be treated as confidential and privileged, and not be disclosed to persons other than the necessary officers and staff of this Honorable Commission.

32. With these, **Annexes “P”, “Q”, “R” and “SS”** are hereby submitted via: (i) password-protected electronic copies, and (i) one (1) physical copy each of the respective confidential documents in a sealed envelope, with the envelope and each page of the documents stamped with the word “Confidential”.

## **PRAYER**

**WHEREFORE**, premises considered, Applicants **NEGROS ELECTRIC AND POWER CORP (NEPC)** and **THERMA VISAYAS INC. (TVI)** respectfully pray that the Honorable Commission:

1. **ISSUE** an Order treating **Annexes “P”, “Q”, “R” and “SS”** as confidential in perpetuity, directing their non-disclosure to persons other than the officers and staff of the Honorable Commission, perpetually 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 its Rules of Practice and Procedure;

2. Pending trial on the merits, **GRANT** provisional authority or interim relief allowing the implementation of the PSA between NEPC and TVI, including all the rates, fees, charges, and tariff adjustment mechanisms set out therein at the rates provided in the PSA, and authorizing NEPC to charge and collect such rates, fees, charges, and tariff adjustment therein from its customers reckoned from the start of the supply by TVI to NEPC under the PSA subject of this *Joint Application*; and
3. After hearing on the merits, **ISSUE** a Decision **APPROVING** the *Joint Application* and PSA between NEPC and TVI, including all the rates, fees, charges, and tariff adjustment mechanisms set out therein at the rates provided in the PSA, and authorizing NEPC to charge and collect such rates, fees, charges, and tariff adjustments therein from its customers reckoned from the start of the supply by TVI to NEPC under the PSA.

Other relief just and reasonable are likewise prayed for.

Pasig City and Makati City for Pasig City, 11 November 2025.

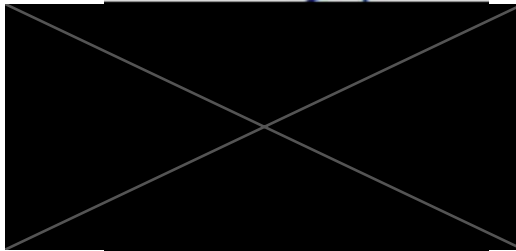
<Signature Pages Follow.>

Counsel for  
**NEGROS ELECTRIC AND POWER CORP.**

**DEL CALLAR AND PARTNERS**

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Tel. Nos. (02)8696-9234  
(02)8696-9131

**By:**



**FERDINAND V. MENGUITO**

Roll No. 49353

PTR No. 3042539/01.14.2025/Pasig City

IBP No. 505029/01.11.2025/RSM

MCLE Compliance No. VIII-0039887

ferdi97a@yahoo.com

**THERMA VISAYAS, INC.**

**By:**

**PAUL B. SORIÑO**

PTR No. A-6396584 / 06 January 2025 / Taguig City

IBP No. 492219/ 02 January 2025 / RSM

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Roll No. 55895

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**CELENI KRISTINE G. GUINTO**

PTR No. A-6396583 / 06 January 2025 / Taguig City

IBP Lifetime No. 011964 / Quezon City

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**LEO ANTONIO E. FORNESA**

PTR No. A-6396582 / 06 January 2025 / Taguig City

IBP No. 492362 / 02 January 2025 / Makati City

MCLE Compliance No. VIII – 0033518 / 14 May 2025

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VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, **ROEL Z. CASTRO**, Filipino, of legal age, and with office address at Negros Electric and Power Corporation, The Row, Lacson Street, Barangay Bata, 6100 Bacolod City, Negros Occidental, Philippines, after being sworn to in accordance with law, depose and state that:

1. I am the President and Chief Executive Officer and authorized representative of Negros Electric and Power Corporation ("**NEPC**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at the same above stated address;

2. I have been duly authorized by NEPC to prepare and sign on its behalf this Verification and Certification of Non-Forum Shopping. A copy of said authority is attached hereto as Annex "**A**";

3. On behalf of NEPC, I have caused the preparation and filing of the foregoing *Application* entitled: "**IN THE MATTER OF THE APPLICATION FOR THE APPROVAL OF THE POWER SUPPLY AGREEMENT (PSA) BETWEEN NEGROS ELECTRIC AND POWER CORPORATION AND THERMA VISAYAS, INC. (TVI), WITH PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF AND MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION**" (the "**Application**") before the Energy Regulatory Commission (ERC), with NEPC as Joint Applicant;

4. I have read the contents of the said Application, and certify that the allegations therein are true and correct based on my personal knowledge and on authentic records and/or documents in my possession. The factual allegations in the Application are supported by evidence

5. Pursuant to the amended Rules of Civil Procedure which took effect on 01 May 2020, the Application is not filed to harass, to cause unnecessary delay, or needlessly increase the cost of litigation, and the factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;

6. I further attest that NEPC has not commenced or filed any claim involving the same issues and parties herein with any Court, Tribunal or Quasi-Judicial Agency

7. I am not aware of any such other case or claim pending before any court, tribunal or quasi-judicial agency; and

8. Should I or NEPC hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency, the cooperative shall report said fact within five (5) days from discovery thereof to the ERC.

**IN WITNESS WHEREOF**, I have hereto affixed my signature this NOV 11 2025 at the place above written.

  
**ROEL Z. CASTRO**  
Affiant

**SUBSCRIBED AND SWORN TO BEFORE ME**, a Notary Public for and in the above-named locality, this NOV 11 2025 at the place above written, Affiant exhibited to me his Philippine Driver's License with No. K02-90-044889 issued at LTO f03 valid until 2032/04/01 and he acknowledged to me that he is the same person who executed the foregoing Verification and Certification Against Forum Shopping.

Doc. No. 9 ;  
Page No. 2 ;  
Book No. 28 ;  
Series of 2025.

**GAUDENCIO A. JR.**  
Notary Public  
in the Municipality of Pateros, Metro Manila  
Until December 31, 2025  
CIR No. 286 / 01/02/2025 Pasig City  
IBP No. 461377 / 10/04/2024 For Year 2025/RSM  
Roll No. 41969  
MCLE Comp. VIII-0040608 / Sept. 3, 2025  
No. 11, Unit J Freemont Arcade Bldg.  
Shaw Blvd. Brgy. San Antonio, Pasig City  
Appointment No. 29 (2025-2026)

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

I, **ROWENA ROMERO**, of legal age, Filipino and with office address at 12F Ayala Triangle Gardens Tower 2, Paseo de Roxas cor. Makati Ave., Makati City after having been duly sworn in accordance with law, hereby depose and state that:

1. I am the authorized representative of **THERMA VISAYAS, INC. (TVI)**, Co-Applicant in the above-captioned case, per attached Secretary's Certificate;

2. I caused the preparation and filing of this *Joint Application (with Prayer for Provisional Authority or Interim Relief and Motion for Confidential Treatment of Information)* ("*Joint Application*") and have read the contents thereof, and, based on my own personal knowledge, belief and on authentic records of TVI, all the allegations contained therein on the part of TVI are true and correct. Furthermore, the *Joint Application* is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation; and that the factual allegations therein have evidentiary support or, if specifically so identified, will have evidentiary support after a reasonable opportunity for discovery.

3. TVI has not commenced any other action or proceeding involving the same issue/s in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency and, to the best of my knowledge, no such other action or claim is pending therein; and

4. Should I hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency, I shall report said fact within five (5) days from discovery thereof to this Honorable Commission.

**IN WITNESS WHEREOF**, I have hereunto set my hand this **11 November 2025** at **Makati City**.

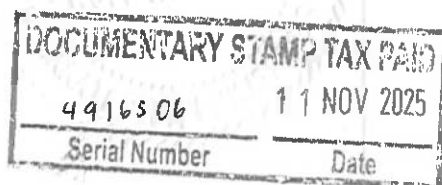



**ROWENA ROMERO**

Affiant

**SUBSCRIBED AND SWORN** to before me this **11 November 2025** in **Makati City**. Affiant exhibited to me her **Passport No. P7070628A** issued at **DFA Manila** valid until **May 6, 2028**.

Doc. No. 73;  
Page No. 16;  
Book No. III;  
Series of 2025.





ATTY. DANIELLE SOPHIA B. GARDUNO  
Notary Public for Makati City  
Notarial Commission No: M-489 (2025-2026)  
Until December 31, 2026  
Ayala Triangle Gardens Tower 2, Paseo De Roxas  
corner Makati Avenue, Makati City  
Roll No: 81084, Admitted to the Bar 21 May 2022  
PTR No: A-6440595, 07 Jan. 2025, Taguig City  
IBP No: 483365, 14 Dec. 2024, Makati Chapter  
MCLE Compliance No: VIII-0038885