

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

IN THE MATTER OF THE  
APPLICATION FOR AUTHORITY  
TO DEVELOP, OWN AND/OR  
OPERATE DEDICATED  
POINT-TO-POINT LIMITED  
TRANSMISSION FACILITIES TO  
CONNECT THE 239.560  
MWp/171.100 MWac WITH AN  
INTEGRATED 65.000  
MW/306.000 MWh BATTERY  
ENERGY STORAGE SYSTEM  
(BESS) LUNA SOLAR POWER  
PROJECT TO THE VISAYAN  
GRID VIA THE 230kV CADIZ  
SUBSTATION OF THE NATIONAL  
GRID CORPORATION OF THE  
PHILIPPINES, WITH PRAYER  
FOR PROVISIONAL AUTHORITY  
AND/OR INTERIM RELIEF AND  
MOTION FOR CONFIDENTIAL  
TREATMENT OF INFORMATION,

ERC Case No. 2025-<sup>052</sup> MC

December 04, 2025

**SOUTH CLEANERGY, INC.  
(SCI),**

*Applicant.*

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**APPLICATION**  
**WITH PRAYER FOR PROVISIONAL AUTHORITY OR**  
**INTERIM RELIEF AND MOTION FOR CONFIDENTIAL**  
**TREATMENT OF INFORMATION**

Applicant, **SOUTH CLEANERGY, INC. (SCI)**, through the undersigned counsel, unto this Honorable Commission, respectfully states:

## **THE APPLICANT**

1. SCI is a private corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City. It may be served with orders, notices, and other processes of this Honorable Commission through the undersigned counsel.

## **NATURE OF THE APPLICATION**

2. The instant Application is being filed pursuant to Section 9 of the Electric Power Industry Reform Act of 2001 ("EPIRA"), which states that:

"xxx A generation company may develop and own or operate dedicated point-to-point limited transmission line facilities that are consistent with the TDP; Provided, That such facilities are required only for the purpose of connecting to the transmission system, and are used solely for the purpose of connecting to the transmission system, and are used solely by the generating facilities, subject to prior authorization by the ERC xxx"

3. Similarly, this instant Application is being filed pursuant to Section 5 (a) of the Implementing Rules and Regulations of the EPIRA, which states that:

"Section 5. Dedicated Point-to-Point Limited Transmission Facility of a Generation Company. (a) Subject to prior authorization from ERC, TRANSCO, or its Buyer or Concessionaire may allow a Generation Company to develop, own and/or operate dedicated point-to-point limited transmission facilities: Provided, That:

- 1) Such dedicated point-to-point limited transmission facilities are required only for the purpose of connecting to the Grid which will be used solely by the Generation Facility, and are not used to serve End-users or Suppliers directly;

x x x"

4. SCI proposes to develop, own, and/or operate interconnection facilities ("Dedicated Facility Project") to connect its 239.560 MWp/171.110 MWac with an integrated 65.000 MW/306.000 MWh battery energy storage system (BESS) Luna Solar Power Plant ("Luna SPP"), to the Visayas Grid via the 230kV Cadiz Substation of the National Grid Corporation of the Philippines (NGCP).

## **STATEMENT OF FACTS**

5. SCI is duly registered to, among others, carry on the business of owning, developing, constructing, operating, repairing, maintaining, managing, and investing in power plant systems, including wind power generation plants.

6. Further, SCI and Department of Energy (DOE) have entered into a Solar Energy Operating Contract for SCI's development and utilization of solar energy resources within Cadiz City, Negros Occidental.

7. In accordance with its Solar Energy Operating Contract, and to immediately connect the Luna SPP to the Visayas Grid, SCI shall develop and construct the Dedicated Facility Project, a dedicated point-to-point limited connection facility to be used solely by the Luna SPP for its dispatch and direct connection to the 230kV Cadiz Substation owned and operated by NGCP. Said Dedicated Facility Project is necessary to test, commission, and dispatch the capacity of the Luna SPP and shall be exclusively utilized by SCI.

8. The Luna SPP will be connected through a 4.95km 795 MCM ASCR, double circuit dedicated point-to-point line to the 230kV Cadiz Substation of the NGCP. The connection of the Dedicated Facility Project to the Cadiz Substation will allow evacuation of power from the Luna SPP to the Visayas Grid. SCI studied its options (i.e., connection to E.B Magalona Substation and Cadiz Substation) and found that such a direct connection to Cadiz Substation, which is approximately 4.95km from the proposed site, is the best option to connect the Luna SPP project to the Visayas Grid because the E.B Magalona Substation is approximately 35km away from the proposed site, which will require longer power lines and higher construction costs. Hence, considering the distance of the two substations from the proposed site, it is more feasible to connect to the Cadiz Substation.

9. The estimated cost of the construction of the Dedicated Facility Project is **Five Hundred Twelve Million One Hundred Fifty-Seven Thousand and Nine Hundred Seventy Pesos (Php512,157,970.00)**, with the following components:

Components	Cost (PhP)
Substation and its associated accessories	204,999,595.88
Dedicated Point-to-Point Lines and its associated accessories	307,158,374.12
<b>TOTAL ESTIMATED COST</b>	<b>512,157,970.00</b>

The estimated cost will still vary depending on the final cost from the Engineering, Procurement, and Construction (EPC) contractor.

10. On 13 March 2024, NGCP offered its service to conduct the System Impact Study (“SIS”) dated April 2024 for the proposed connection of SCI’s 239.560 MWp/171.110 MWac Luna SPP to the Visayas Grid via the 230kV Cadiz Substation.

11. Based on the SIS and SIS Final Review Report dated 27 May 2024 prepared by NGCP to determine the technical feasibility of the Dedicated Facility Project and the impact of connecting the Luna SPP to the Visayas Grid, the connection of the Luna SPP to the Visayas Grid was found to be technically feasible, subject to conditions, such as the addition of integrating a BESS to address the variability triggered by fluctuations of Variable Renewable Energy (VRE) power plants in Negros Area.

12. SCI also engaged MN Electro Industrial Supply and Services Inc. to conduct the Facilities Study (“FS”) to determine the technical feasibility of connecting the Luna SPP to the Visayas Grid in compliance with the Philippine Grid Code (PGC) and Open Access Transmission Service (OATS). MN Electro Industrial Supply and Services Inc. issued an FS Report dated November 2024.

13. In compliance with the conditions stated in the SIS and SIS Final Review Report dated 27 May 2024, SCI will integrate a 65.000 MW/306.000 MWh BESS to the Luna SPP. Hence, SCI requested NGCP to conduct an SIS in relation to the BESS integration, through a Letter dated 26 March 2025.

14. In response, NGCP issued a Technical Assessment Letter dated 29 May 2025 stating that since the integration of BESS to the Luna SPP will not involve an increase in capacity and the grid connection scheme will remain the same, an immediate re-run or conduct of new SIS is not necessary.

15. Based on the updated FS Report dated June 2025, SCI conducted another FS to show that the integration of the BESS will not involve an increase in capacity.

16. NGCP and SCI are currently in the process of finalizing the terms of their Connection Agreement for the interconnection of the Luna SPP to the Visayas Grid through the Dedicated Facility Project.

17. Upon completion of the Dedicated Facility Project and the commercial operation of the Luna SPP, SCI intends to operate and maintain the Dedicated Facility Project.

18. As of date, SCI has secured or is in the process of securing the necessary permits, licenses, and authority from the appropriate regulatory agencies for the Dedicated Facility Project.

19. In light of the foregoing, SCI respectfully seeks the confirmation and approval of the Honorable Commission that the Dedicated Facility Project is the most viable option for the connection of the Luna SPP to the Visayas Grid.

20. The following documents are herewith submitted in support of the instant Application:

Annex	Documents
<b>A</b>	Luna SPP Project Description, Options Considered, Project Rationale, Project Timeline, Project Cost, Contractor, and Technical Documentation
<b>B</b>	Single Line Diagram of the Dedicated Facility Project for Luna SPP
<b>C*</b>	Conceptual Engineering Design and Drawings <b>(Confidential)*</b>
<b>D</b>	Luna SPP Relevant Dates
<b>E and series)</b>	Contractors' Profile: <ul style="list-style-type: none"><li>Sumec Complete Equipment &amp; Engineering Co. Ltd (SUMEC-CEEC)</li><li>Jiangsu Power Design Institute Co., Ltd. (JSPDI)</li><li>China Machinery Engineering Corporation (CMEC)</li><li>China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd. (GEDI)</li><li>China Energy Engineering Group Zhejiang Electric Power Design Institute Co., Ltd. (ZEPDI)</li><li>Powerchina Huadong Engineering Corporation Limited (HDEC)</li></ul>
<b>F</b>	Demand-Supply Scenario (Power Development Plan 2023-2050)
<b>G</b>	NGCP Certification dated 24 October 2025 Re: Status of the Connection Agreement of the Luna SPP

<b>H</b>	SCI's Secretary's Certificate dated 20 October 2025
<b>I</b>	Sworn Statement dated 22 October 2025 Re: Filing of applications with concerned agencies
<b>J and series</b>	Write up on the Environmental Compliance Certificate (ECC) of Luna SPP with: (1) Proof of ECC Application, and (2) Affidavit of Undertaking dated 4 November 2025
<b>K</b>	DOE Certificate of Registration No. SEOC 2023-10-711
<b>L</b>	Solar Energy Operating Contract (SEOC No. 2023-10-711)
<b>L-1</b>	DOE Letter Re: Integration of the BESS to the Luna SPP
<b>M</b>	DOE Certificate of Endorsement DOE-EPIMB-ERC-P2P No. 2025-06-011
<b>N</b>	SCI's Latest General Information Sheet
<b>O and series</b>	SCI's Certificate of Incorporation, Articles of Incorporation, and By-Laws
<b>P</b>	Affidavit of Compliance with the Philippine Grid Code and Philippine Distribution Code dated 22 October 2025
<b>Q</b>	NGCP Certification Re: Inclusion of the Luna SPP in the formulation of the Transmission Development Plan of NGCP dated 24 October 2025
<b>R*</b>	System Impact Study dated April 2024 ( <b>Confidential</b> )*
<b>S</b>	System Impact Study Final Review Report dated 27 May 2024
<b>S-1</b>	NGCP Letter Re: BESS System Impact Study dated 29 May 2025
<b>T*</b>	Facilities Study dated November 2024 ( <b>Confidential</b> )*
<b>T-1*</b>	Facilities Study (with BESS) dated June 2025 ( <b>Confidential</b> )*
<b>U</b>	NGCP Facilities Study Report dated 3 January 2025
<b>V</b>	DOE Certificate of Energy Project of National Significance CEPNS No. 2025-03-0245

*\*Subject to a Motion for Confidential Treatment of Information*

## **ALLEGATIONS IN SUPPORT OF THE PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF**

21. Section 2 (a) of the Renewable Energy Act of 2008 ("RE Act") mandates that it is the policy of the State to "accelerate the exploration and development of renewable energy resource such as, but not limited to, biomass, solar, wind, hydro, geothermal and ocean energy sources, including hybrid systems, to achieve energy self-reliance, through the adoption of sustainable energy development strategies to reduce the country's exposure to price fluctuations in the international markets, the effects of which spiral down to almost all sectors of the economy".

22. Further, Section 6, Chapter III of the RE Act mandates that the stakeholders in the electric power industry contribute to the growth of the renewable energy industry of the country.

23. SCI's construction of the Luna SPP is in furtherance of the RE Act and consistent with the implementation of the Renewable Portfolio Standards by the DOE. In order to fulfill such a mandate, permits must be secured, and construction and commissioning must be accomplished immediately.

24. SCI needs to immediately test, commission, and dispatch the Luna SPP upon its completion to avoid unnecessary delays that can lead to opportunity costs and contribute to the rising demand growth. Thus, it is necessary for SCI's Luna SPP to be connected to the grid, through the Dedicated Facility Project, at the earliest possible opportunity.

A copy of the Affidavit executed by SCI's authorized representative in support of the prayer for issuance of provisional authority is hereto attached and made an integral part hereof as **Annex "W"**.

25. Considering the foregoing, SCI submits that there is clear and sufficient basis for the issuance of a provisional authority or interim relief for the development, ownership, and operation of the Dedicated Facility Project by SCI to connect the Luna SPP to the Visayas Grid, pending the Honorable Commission's issuance of its decision on the instant Application.

## ALLEGATIONS IN SUPPORT OF THE CONFIDENTIAL TREATMENT OF INFORMATION

26. Under Rule 4 of the Honorable Commission's 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. In this regard, SCI prays for the confidential treatment of **Annexes "C", "R", "T", and "T-1"**, and the information contained therein and to not disclose the same except to the officers and staff of the Honorable Commission.

27. SCI respectfully manifests that **Annexes "C", "R", "T", and "T-1"**, of the instant *Application* contain valuable, non-public information, data and insight,<sup>1</sup> that should be treated as confidential. These confidential documents contain privileged and sensitive information that, if unduly disclosed, will seriously prejudice SCI's competitiveness.

- 27.1. **Annex "C"** refer to conceptual engineering design and drawings having proprietary value and constitute trade secrets of SCI; and
- 27.2. **Annexes "R", "T", and "T-1"** refer to commissioned studies with study assumptions and related reports, including study assumptions, models, and assessments used in arriving at the study's results, that have proprietary value and constitute trade secrets of SCI.

28. Considering that SCI has actual and valuable proprietary interest to protect with respect to such information, **Annexes "C", "R", "T", and "T-1"** fall within the bounds of "trade secrets", which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

29. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*,<sup>2</sup> the Supreme Court defined "trade secrets" and explained as follows:

"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**

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<sup>1</sup> Republic Act No. 10173

<sup>2</sup> 564 Phil. 774 (2007), G.R. No. 172835.

**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.*)

30. Clearly, the Honorable Commission recognizes the importance of treating trade secrets as confidential in order to ensure the competitiveness of the generation sector. The information in **Annexes "C", "R", "T", and "T-1"**, therefore falls within the definition of a trade secret as defined by jurisprudence, and merits the confidential treatment provided for under Rule 4 of the ERC Rules of Practice and Procedure.

31. Further, the treatment of the information contained in **Annexes "C", "R", "T", and "T-1"**, 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).

31.1. In the Matrix, the Matrix also considers conceptual engineering designs and drawings (**Annex "C"**) as information with proprietary value that must also be treated with confidentiality.

31.2. Furthermore, the Matrix considers commissioned studies such as the System Impact Study that includes study assumptions (**Annex "R"**) and the Facilities Study (**Annexes "T" and "T-1"**) as confidential documents because they have proprietary value that constitute trade secrets.

32. In view of the foregoing, SCI respectfully requests that the documents attached as **Annexes "C", "R", "T", and "T-1"** be marked and treated as confidential and privileged, and not be disclosed to persons other than the necessary officers and staff of this Honorable Commission.

33. Accordingly, SCI respectfully submits the instant Application for the Honorable Commission's urgent and utmost consideration.

## PRAYER

**WHEREFORE**, premises considered, Applicant **SOUTH CLEANERGY INC. (SCI)** respectfully prays that the Honorable Commission:

1. Issue an Order granting provisional authority or interim relief for the implementation of the development, ownership and operation of the Dedicated Facility Project by SCI to connect the Luna SPP to the Visayas Grid;
2. Issue an Order treating **Annexes “C”, “R”, “T”, and “T-1”** and the information contained therein as confidential information within the purview of Rule 4 of the ERC Rules of Practice and Procedure and prescribing the guidelines for the protection thereof; and
3. After hearing on the merits, a Decision be rendered approving the instant Application.

Other just and equitable relief are likewise prayed for.

Makati City for Pasig City, 24 November 2025.

*<Signature Page Follows.>*

**SOUTH CLEANERGY INC.**

**BY:**

**PAUL B. SORIÑO**

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