

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
APPLICATION FOR
APPROVAL OF THE
EMERGENCY POWER
SUPPLY AGREEMENT
(EPSA) BETWEEN QUIRINO
ELECTRIC COOPERATIVE,
INC. (QUIRELCO) AND
THERMA LUZON, INC. (TLI),
WITH MOTION FOR
CONFIDENTIAL
TREATMENT OF
INFORMATION**

ERC CASE NO. 2025-213 RC

**QUIRINO ELECTRIC
COOPERATIVE, INC.
(QUIRELCO) AND THERMA
LUZON, INC. (TLI),**
Applicants.

Promulgated:
January 12, 2026

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NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 22 December 2025, Quirino Electric Cooperative, Inc. (QUIRELCO) and Therma Luzon, Inc. (TLI) filed a *Joint Application* dated 12 December 2025, seeking the Commission’s approval of their Emergency Power Supply Agreement (EPSA), with 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:

ERC CASE NO. 2025-213 RC
NOTICE OF VIRTUAL HEARING
PAGE 2 OF 4

Date and Time	Platform	Activity
06 February 2026 (Friday) at nine o'clock in the morning (9:00 A.M.)	Microsoft Teams	Determination of compliance with jurisdictional requirements and Expository Presentation
13 February 2026 (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 **QUIRELCO's principal office at Aurora East, Diffun, Quirino** 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, copy furnish the Legal Service through 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, and copy furnishing the Legal Service through 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, indicating 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, copy furnish the Legal Service through legal@erc.ph, their Opposition or Comment thereon at least five (5) calendar days prior to the initial virtual hearing and subject to the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure. 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 the 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 acknowledgement receipt e-mail sent by the Commission.

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ERC CASE NO. 2025-213 RC
NOTICE OF VIRTUAL HEARING
PAGE 4 OF 4

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

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:

Maria Corazon C. Gines

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


LS: JBY/MVM

* 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
APPROVAL OF THE
EMERGENCY POWER
SUPPLY AGREEMENT
(EPSA) BETWEEN QUIRINO
ELECTRIC COOPERATIVE,
INC. (QUIRELCO) AND
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CONFIDENTIAL TREATMENT
OF INFORMATION

ERC CASE NO. 2025-213 RC

December 22, 2025

QUIRINO ELECTRIC
COOPERATIVE, INC.
(QUIRELCO) AND THERMA
LUZON, INC. (TLI)
Applicants.
X- - - - -X

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

Applicants **QUIRINO ELECTRIC COOPERATIVE, INC. (QUIRELCO) AND THERMA LUZON, INC. (TLI)**, (jointly, the “**Applicants**”), through respective counsels, respectfully state:

The Joint Applicants

1. QUIRELCO is a non-stock and non-profit electric cooperative duly organized and existing under the laws of the Republic of the Philippines, with principal office address at Aurora East, Diffun, Philippines. It is a duly franchised electric cooperative engaged in distribution of light and power within its franchise area

covering the municipalities in Quirino Province, namely, Diffun, Cabarroguis, Saguday, Aglipay, Maddela, and Nagtipunan ("Franchise Area").

2. TLI is a private corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City. Upon expiration of its IPPA Agreement with the Power Sector Assets and Liabilities Management Corporation (PSALM), TLI is now the Independent Power Producer (IPP) for the 733.038 MW capacity from the Pagbilao Coal-Fired Thermal Power Plant ("Power Plant"). As such, TLI has the right to trade, sell, or deal with the 733.038 MW capacity of the said Power Plant.

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

Statement of Facts

4. In July 2020, QUIRELCO conducted a Competitive Selection Process (CSP) for its power supply requirement. However, due to the COVID-19 pandemic, the schedule of the CSP activities was hampered and exceeded the period of six (6) months without fruition.

5. Subsequently, QUIRELCO conducted another CSP in July 2021, resulting in an award of a power supply agreement (PSA) for five (5) years with Masinloc Power Partners Company, Ltd. ("MPPCL"). However, before the execution of the PSA with MPPCL, the European war broke out in the first quarter of 2022, which caused the prices of coal to shoot up. Consequently, the projected rates under the MPPCL PSA also went up to alarming levels. This event prompted QUIRELCO not to proceed with the execution of the PSA with MPPCL.

6. On 13 February 2024, QUIRELCO entered into a Contract to Sell Electricity (CSEE) with the Power Supply Assets & Liabilities Management Corporation ("PSALM") for 4.8 MW of contracted capacity with a maximum of 845,000 kWh per month. Since 2024, this has been the ongoing supply arrangement of QUIRELCO. However, this supply only corresponds to around 12% of QUIRELCO's energy demand requirements. The remaining energy demand requirements of QUIRELCO are being sourced from the Wholesale Electricity Spot Market (WESM). Upon expiry of the CSEE

on 25 December 2025, QUIRELCO will be one hundred percent (100%) exposed to WESM.

7. In its duly approved 2024 Power Supply Procurement Plan (“PSPP”), QUIRELCO reflected its intent to conduct another CSP for its long-term power supply with target delivery on 26 September 2025. Hence, in compliance with its PSPP, QUIRELCO initiated its CSP by submitting its Draft Bid Documents to the National Electrification Administration (NEA) for initial review on 24 March 2025.¹ NEA provided its initial comments on 5 June 2025.² Immediately thereafter, or on 26 June 2025, QUIRELCO submitted its updated Draft Bid Documents to NEA in consideration of NEA’s initial comments.³

8. After numerous follow-ups, via email, on 5 August 2025, 2 September 2025, and 6 October 2025.⁴ QUIRELCO received NEA’s response on 13 October 2025. On 20 October 2025, QUIRELCO submitted its response.⁵

9. On 19 November 2025, NEA once again issued its comments on the draft bid documents. On 26 November 2025, QUIRELCO once again submitted its response.⁶

10. Currently, QUIRELCO has yet to receive NEA’s approval of the draft bid documents. Thus, QUIRELCO could not proceed with its intended CSP for its long-term power supply.

11. In view of the upcoming expiration of its CSEE with PSALM, and to avoid additional delays in meeting its demand requirements, on 14 November 2025, QUIRELCO wrote a Letter to NEA stating that the lack of a long-term PSA due to external delays (i.e., not attributable to QUIRELCO) in the intended CSP may be interpreted as a force majeure event that would warrant the execution of an emergency power supply agreement (“EPSA”).⁷ In the same Letter, QUIRELCO requested NEA to issue a certification to certify the occurrence of the force majeure event, which is the lack of a

¹ A copy of QUIRELCO’s proof of submission of the Draft Bid Documents to NEA is attached here as **Annex “C”**.

² A copy of NEA’s Initial Comments (to the Draft Bid Documents) dated 5 June 2025 is attached here as **Annex “D” and series**.

³ A copy of QUIRELCO’s Submission dated 26 June 2025 of its Updated Draft Bid Documents to NEA is attached here as **Annex “D” and series**.

⁴ Copies of QUIRELCO’s Follow-ups to NEA (re: Comments to the Updated Draft Bid Documents dated 5 August 2025, 2 September 2025, and 6 October 2025 are attached here as **Annex “D” and series**.

⁵ Copies of NEA’s Comments to the Updated Draft Bid Documents dated 13 October 2025 and QUIRELCO’s Response to NEA’s Comments to the Updated Draft Bid Documents dated 20 October 2025 are attached here as **Annex “D” and series**.

⁶ Copies of NEA’s Comments (to QUIRELCO’s Response) dated 19 November 2025 and QUIRELCO’s Response (to NEA’s Comments) dated 26 November 2025 are attached here as **Annex “D” and series**.

⁷ A copy of QUIRELCO’s Letter dated 14 November 2025 is attached here as **Annex “E”**.

long-term PSA due to the external delays (i.e. not attributable to QUIRELCO) in the intended CSP.⁸

12. On 19 November 2025, NEA issued a Letter with Certification dated on even date confirming that “QUIRELCO has initiated the submission of the bidding documents for the conduct of [CSP] and is currently under NEA’s review”.⁹

13. With NEA’s Certification, QUIRELCO officially considered the surrounding circumstances as a force majeure event that would warrant the execution of an EPSA. Accordingly, QUIRELCO immediately procured an emergency supply of 9.370 MW with a maximum term of one (1) year.

Allegations in Support of the Emergency Procurement

14. Section 2.3.5 of Department of Energy (“DOE”) Department Circular No. DC2023-06-0021,¹⁰ as amended by Department Circular No. DC2025-10-002¹¹ (“DOE CSP Circular, as amended”) provides that the conduct of CSP shall not be required in the following instance, among others:

2.3. In the following instances, the conduct of CSP shall not be required:
xxx

2.3.6. Negotiated procurement of Emergency Power supply wherein the Emergency Power Supply Agreement (EPSA) shall be filed with the ERC within thirty (30) calendar days after the occurrence of the Force Majeure/ Fortuitous Events, without need of any prior clearance or certification from the DOE, and shall have a maximum and non-extendible period of one (1) year from its execution. The EPSA shall be immediately implemented to address the emergency, subject to conditions to be defined by the ERC; Provided, that the procurement of emergency power supply shall not be entitled to any form of subsidy;
xxx

15. Moreover, Section 6 of the 2023 CSP Guidelines¹² lays down the guidelines on the procurement of EPSA, to wit:

⁸ See id.
⁹ A copy of NEA’s Letter with Certification dated 19 November 2025 is attached here as **Annex “F”**.
¹⁰ Entitled, “Prescribing the Policy for the Mandatory Conduct of the Competitive Selection Process by the Distribution Utilities for the Procurement of Power Supply for their Captive Market”
¹¹ Entitled, “Prescribing Policies to Enhance the Procurement Power Supply by Distribution Utilities for the Captive Market, Amending and Supplementing for this Purpose Department Circular No. DC2023-06-0021”
¹² Entitled, “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”

“Section 6. Emergency Power Supply Agreement - The DU may engage in negotiated procurement of an Emergency Power Supply Agreement (EPSA) under the circumstances contemplated in Section 2.3.5 of the DOE CSP Policy.

The DU and the supplier of emergency power may immediately execute and implement the said EPSA provided the following conditions are present:

(a) the cooperation period of such EPSA shall have a maximum and non-extendible period of one (1) year from its execution;

(b) the interim rates to be charged under the EPSA shall be capped at the latest ERC-approved generation tariff specific for the plant, if available. Otherwise, it shall be capped at the latest ERC-approved generation tariff for the same technology. Such rates shall apply until the ERC issues its approval of the EPSA;

(c) the DU shall, within five (5) calendar days from the occurrence of the Force Majeure or Fortuitous Event, notify in writing the ERC and the DOE, as well as the NEA (in the case of Off-Grid areas), of such Force Majeure or Fortuitous Event which will require the emergency power supply; and

(d) the DU and the Captive Market Supplier shall jointly file with the ERC the application for approval of the said EPSA in accordance with the timeline prescribed in Section 23 of these Guidelines.

Procurement of emergency power supply shall not be entitled to any form of subsidy.”

16. The Statement of Facts is hereby repleaded to establish the events that led to QUIRELCO procuring emergency power supply.

17. The series of events described above is considered a force majeure/fortuitous event because the reasons for the lack of a long-term PSA due to the external delays (i.e. not attributable to QUIRELCO) in the intended CSP could not have been foreseen by QUIRELCO and are beyond its control. Nonetheless, QUIRELCO respectfully manifests that it has performed all necessary and required due diligence to address the emergency situation.

18. Despite QUIRELCO's earnest and diligent efforts, unfortunately, external delays (i.e. not attributable to QUIRELCO) affected QUIRELCO's ability to proceed with its intended CSP to execute a long-term PSA to meet its demand requirements.

19. Consequently, QUIRELCO's Board of Directors, through Board Resolution No. 179, Series of 2025 dated 20 November 2025, authorized the procurement of an emergency supply of 9.370 MW of

with a maximum term of one (1) year.¹³ In view of this, **the date of occurrence of the fortuitous event is 20 November 2025.**

20. In view of the foregoing and in accordance with Section 2.3.5 of the DOE CSP Circular, as amended, and the 2023 CSP Guidelines, QUIRELCO negotiated with TLI for the procurement of emergency power supply with a term of one (1) year from commencement of supply delivery.

21. Accordingly, on 21 November 2025, QUIRELCO and TLI executed an EPSA with a contracted capacity of 9.370 MW. TLI commenced the delivery of emergency power supply to QUIRELCO on 26 November 2025 (“Effective Date”).

22. On 25 November 2025, pursuant to Section 6 (c) of the 2023 CSP Guidelines, QUIRELCO sent a Notice of Force Majeure/ Fortuitous Event to the DOE, NEA, to this Honorable Commission, and TLI.¹⁴

23. Pursuant to Section 44 of the 2023 CSP Guidelines, QUIRELCO sent a Sworn Certification dated 1 December 2025 stating that on 26 November 2025, TLI commenced to deliver the emergency power supply to QUIRELCO pursuant to the EPSA.¹⁵

24. Thus, this instant *Joint Application* for the approval of the EPSA between QUIRELCO and TLI.

25. Salient Features of the EPSA.

25.1 Supply of Contract Capacity and Contract Energy. During the Contract Period, and provided that Closing shall have occurred, TLI shall make available the Contract Capacity and Deliver the Contract Energy, and QUIRELCO shall receive and pay for the Contract Capacity and Contract Energy, from the Power Plant to QUIRELCO during the Billing Periods specified in Schedule 4.1 (Delivery Schedule), at the Metering Points specified in item 2, Schedule 3.1(b) (General Conditions), and at the rates specified in Schedule 6.1.2 (Rate Schedule); provided that, at the option of TLI, the Contract Capacity or the Contract Energy may be delivered from the power plants owned and/or operated by any of its affiliates (if any), WESM, or any other supplier, and the same shall be

¹³ A copy of the Board Resolution No. 179, Series of 2025 dated 20 November 2025 is attached here as **Annex “G”**.

¹⁴ See Letters dated 25 November 2025 Re: Notice of Force Majeure/ Fortuitous Event attached here as **Annex “H” and series**.

¹⁵ See Sworn Certification dated 1 December 2025 attached here as **Annex “Q”**.

deemed Delivered from the Power Plant; provided further that, TLI shall not be obligated to make available the Contract Capacity and Deliver the Contract Energy following the date of termination or expiration of this Agreement.

Schedule 4.1 (Delivery Schedule) provides, *to wit*:

Schedule 4.1 – Delivery Schedule

BILLING MONTH	CONTRACT CAPACITY (kW)	MINIMUM CONTRACT ENERGY PER BILLING PERIOD (kWh)	MAXIMUM CONTRACT ENERGY PER BILLING PERIOD (kWh)
November 26, 2025 - December 25, 2025	9,370	4,385,160	6,746,400
December 26, 2025 - January 25, 2026	9,370	4,531,332	6,971,280
January 26, 2026 - February 25, 2026	9,370	4,531,332	6,971,280
February 26, 2026 - March 25, 2026	9,370	4,092,816	6,296,640
March 26, 2026 - April 25, 2026	9,370	4,531,332	6,971,280
April 26, 2026 - May 25, 2026	9,370	4,385,160	6,746,400
May 26, 2026 - June 25, 2026	9,370	4,531,332	6,971,280
June 26, 2026 - July 25, 2026	9,370	4,385,160	6,746,400
July 26, 2026 - August 25, 2026	9,370	4,531,332	6,971,280
August 26, 2026 - September 25, 2026	9,370	4,531,332	6,971,280
September 26, 2026 - October 25, 2026	9,370	4,385,160	6,746,400
October 26, 2026 - November 25, 2026	9,370	4,531,332	6,971,280

Note: The Maximum Contract Capacity shall be equivalent to 780.83333333 kW per Trading Interval. Customer is allowed to nominate minimum of 35% of the Contract Capacity each Trading Hour, provided that Minimum Contract Energy per Billing Period will be attained.

25.2 Contract Period. From Effective Date up to November 25, 2026, or upon commencement of QUIRELCO’s long-term power supply agreement, whichever comes first.

25.3 Electricity Fees. The Parties agree that all of TLI’s supply of Contract Energy to QUIRELCO under the EPSA shall be at the fees determined in accordance with Schedule 6.1.2 - Rate Schedule, *to wit*:

Schedule 6.1.2 - Rates Schedule

Basic Generation Rate = A + B + C + D + E

All computations on payments to TLI shall not be rounded off, except for the final PHP amount, which shall be rounded off to the nearest Philippine centavo.

Where:

$$\mathbf{A} = \mathbf{CRF} \times \mathbf{CC}$$

$$\text{CRF} = 1,044.1920 \text{ Php/kW-mo}$$

$$\text{CC} = 9,370 \text{ kW Contract Capacity}$$

$$\mathbf{B} = \mathbf{FOM} \times \mathbf{CC}$$

$$\text{FOM} = 155.8550 \text{ Php/kW-mo}$$

$$\text{CC} = \text{as previously defined}$$

$$\mathbf{C} = \mathbf{VOM} \times \mathbf{TED}$$

$$\text{VOM} = 0.1995 \text{ Php/kWh}$$

$$\text{TED} = \text{Total Energy Delivered}$$

$$\mathbf{D} = \mathbf{Fuel} \times \mathbf{TED}$$

Fuel = actual fuel cost of the Power Plant for the Billing Period in Php/kWh

TED = as previously defined

E = all existing and 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, and other future charges imposed on the Power Plant for the generation of electricity, in Philippine Pesos.

Adjustments:

a.) Service Interruption Adjustment:

If QUIRELCO is only able to take Energy at a level below the Contract Energy due to the failure of the Transmission System, the Minimum Contract Energy shall be adjusted to reflect the hours of such transmission service interruption. For this purpose, QUIRELCO shall deliver to TLI documentation from the NGCP establishing the occurrence of the service interruption not later than five (5) days before the end of the Billing Period during which such interruption occurred. If QUIRELCO shall be affected by any service interruption during the five-day period preceding the end of a Billing Period, QUIRELCO shall deliver the NGCP supporting documentation to TLI as soon as reasonably practicable after receipt thereof, and TLI shall

credit QUIRELCO with the adjustment in the next succeeding Billing Statement.

25.4 Reduction in Contract Capacity. During the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), and similar policies or rules allowing for end-users' choice of supplier, QUIRELCO shall be entitled to reduce its Contract Capacity, subject to the following conditions: (1) the reduction in the Contract Capacity shall be to the extent that the need for such reduction is the result of the transfer of QUIRELCO's contestable market customers, provided that the reduction shall not exceed the ratio the Contract Capacity bears against the QUIRELCO's total capacity among all of the QUIRELCO's suppliers; and (2) QUIRELCO shall send a written request to TLI at least thirty (30) days before the date of effectivity of the requested reduction in the Contract Capacity.

25.5 Outage Allowance. Zero (0) Outage Allowance.

25.6 Billing and Payment of Fees. TLI shall deliver to QUIRELCO a Billing Statement setting out the Electricity Fees due on account of Contract Capacity and all Energy Delivered during each Billing Period on or before the seventh (7th) day of the Payment Month.

If QUIRELCO fails to pay the Electricity Fee or any other amounts payable by it under this Agreement in full, including full payment of VAT due (if any) and all applicable taxes thereon, on the Payment Date, it shall pay a penalty of two percent (2%) per month (a fraction of a month to be considered one month) based on the amount due, from the date when such payment is due until the date such amount is received in full by TLI.

26. The rate schedule of the EPSA between QUIRELCO and TLI is consistent with the latest approved generation tariff for TLI pursuant to the Order dated 17 December 2024 in ERC Case No. 2024-139 RC.¹⁶

27. Estimated Rate Impact. The indicative rate impact on QUIRELCO's overall generation rate with and without the additional supply from TLI is as follows:

¹⁶ Entitled "In the Matter of the Application for the Approval of the Power Supply Agreement Lot 1 between Therma Luzon, Inc. (TLI) and Leyte III Electric Cooperative, Inc. (LEYECO III), with Prayer for Provisional Authority or Interim Relief and MOtion for Confidential Treatment of Information"

Generation Rate Impact of EPSA with TLI	
Without TLI*	Php 5.3627/kWh
With TLI**	Php 4.5315/kWh
<i>Rate Impact</i>	<i>Php(0.8312)/kWh</i>

* Blended WESM and PSALM = Value Added Tax (VAT) excluded, Line Rental (LR) included, January 2023-October 2025

** TLI = VAT excluded, LR included, Prompt Payment Discount (PPD) included, October 2025

28. As shown in the rate impact analysis, the implementation of the EPSA between QUIRELCO and TLI will benefit QUIRELCO and its end-users with an estimated generation rate reduction of **Php(0.8312)/kWh**. Thus, the EPSA subject of this Application will ultimately provide QUIRELCO’s end-users with a continuous and reliable supply of electricity at reasonable rates.

29. Copies of the following documents and/or information are attached to the *Joint Application* as annexes:

Annex	Documents/Information
A	Emergency Power Supply Agreement between QUIRELCO and TLI
B	Write-up Certifying the Occurrence of Force Majeure
C	QUIRELCO’s Submission dated 24 March 2025 of its Draft Bid Documents to NEA
D and series	Email Correspondence between QUIRELCO and NEA: 1. NEA’s Initial Comments (to the Draft Bid Documents) dated 5 June 2025; 2. QUIRELCO’s Submission dated 26 June 2025 of its Updated Draft Bid Documents to NEA; 3. QUIRELCO’s Follow-ups to NEA (re: Comments to the Updated Draft Bid Documents dated 5 August 2025, 2 September 2025, and 6 October 2025 4. NEA’s Comments to the Updated Draft Bid Documents dated 13 October 2025;

	5. QUIRELCO's Response to NEA's Comments to the Updated Draft Bid Documents dated 20 October 2025; 6. NEA's Comments (to QUIRELCO's Response) dated 19 November 2025; and 7. QUIRELCO's Response (to NEA's Comments) dated 26 November 2025.
E	QUIRELCO's Letter to NEA dated 14 November 2025
F	NEA's Letter with Certification dated 19 November 2025
G	QUIRELCO's Board Resolution No. 179, Series of 2025 dated 20 November 2025
H and series	QUIRELCO's Notice of Force Majeure/Fortuitous Event to the DOE, NEA, ERC and TLI dated 25 November 2025
I	QUIRELCO's Supply and Demand Scenario, and Average Daily Load Curve
J	Rate Impact Simulation
K	Executive Summary of QUIRELCO and TLI's EPSA
L	Sample Bill
M	TLI's Write-up Re: Relevant technical and economic characteristics of the generation capacity
N	TLI's Coal Supply Agreement (Confidential)*
O	TLI's Coal Procurement Plan (Confidential)*
P	TLI's Write-Up on the Non-Applicability
Q	Sworn Certification (re: Implementation of the EPSA) dated 1 December 2025, with proof of e-mail service to the ERC

R	Affidavit on the Details of Force Majeure
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*** Subject of the Motion for Confidential Treatment of Information**

Allegations in Support of the Motion for Confidential Treatment of Information for Annexes “N, and “O”

30. Section 1, Rule 4, of the ERC Revised Rules of Practice and Procedure (“2021 RRPP”) provides that a party to a proceeding before the Honorable Commission may move for information to be treated as confidential.

31. Pursuant thereto, TLI prays that the information contained in the documents attached as annexes be treated as confidential and that the same be continuously protected from public disclosure, except to the officers and staff of the Honorable Commission, as follows:

Annex	Documents and/or Information
N	TLI’s Coal Supply Agreement (Confidential)*
O	TLI’s Coal Procurement Plan (Confidential) *

32. **Annexes “N”, and “O”** contain information and data where TLI has actual and valuable proprietary interest to protect with respect to such information, and fall within the bounds of “trade secrets” that are entitled to protection under the Constitution, statues, and rules and regulations of this Honorable Commission.

32.1 The foregoing annexes contain non-public, proprietary information and data involving TLI’s supply agreement, and procurement plan. TLI determines its competitive rates through these data, thus, the information contained in these documents are privileged and confidential in nature.

32.2 Additionally, TLI’s coal supply agreement is an agreement with a third party that is not privy to the instant *Joint Application*.

32.3 Furthermore, the information and data in the aforementioned annexes are not generally available to the public. TLI's competitiveness will seriously be prejudiced if these pieces of information are unduly disclosed.

32.4 Moreover, the interest of applicant QUIRELCO's end-users is sufficiently protected by the review and evaluation of the rates under the subject EPSA by the Honorable Commission, without the need to disclose the contents of the **Annexes "N", and "O"**.

33. In the case of the *Air Philippines Corporation v. Pennswell, Inc.*,¹⁷ the Supreme Court 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.)

34. Moreover, the Honorable Commission categorically acknowledged in its Decision in ERC Case No. 2015-111 RC¹⁸ 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

¹⁷ 564 Phil. 774 (2007), G.R. No. 172835.

¹⁸ 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).*"

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*).

34.1 Clearly, the Honorable Commission recognizes the importance of treating pricing structures as confidential in order to ensure competitiveness of the generation sector. This 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 Honorable Commission's 2021 RRPP.

35. Further, the treatment of the information contained in **Annexes "N", and "O"** 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").

35.1 Furthermore, the *Matrix* also provides that contracts and agreements with third parties not privy to the case, and which are not notarized, are considered private documents that should be treated as confidential. TLI's Coal Supply Agreement, attached as **Annex "N"**, falls in this category.

35.2 Additionally, the *Matrix* states that documents reflecting management/business strategy should be treated with confidentiality because they have proprietary value that constitute trade secrets. The information contained in **Annexes "N", and "O"**, fall in these categories.

35.3 Thus, **Annexes "N", and "O"** should be treated with confidentiality.

36. In view of the foregoing and pursuant to Rule 4 of the ERC's 2021 RRPP, TLI respectfully requests that the attached **Annexes "N", and "O"** 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.

37. TLI hereby submits **Annexes “N”, and “O”** 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, the foregoing premises considered, Applicants **QUIRINO ELECTRIC COOPERATIVE, INC. (QUIRELCO) and THERMA LUZON, INC. (TLI)**, most respectfully pray that the Honorable Commission:

1. **ISSUE** an Order treating **Annexes “N”, and “O”**, and all information contained therein as confidential, directing their non-disclosure to persons other than the officers and staff of the Honorable Commission, continuously protecting the said information from public disclosure by maintaining the same separate and apart from the records of the case, and ensuring that these are not divulged to unauthorized persons, pursuant to Rule 4 of its Revised Rules of Practice and Procedure; and
2. **ISSUE** a Decision approving the *Joint Application* and the EPSA between QUIRELCO and TLI, including all the rates, fees, charges and tariff adjustment mechanisms set out therein at the rates provided in the EPSA, and authorizing QUIRELCO to charge and collect the fees therein from its customers reckoned from the start of supply by TLI to QUIRELCO under the EPSA.

Other reliefs just and equitable under the premises are, likewise, prayed for.

Diffun and Makati City for Pasig City, 12 December 2025.

[Signature Pages and Verifications Follow]

QUIRINO ELECTRIC COOPERATIVE, INC.

By:



ARCE ASUNCION

Marcos Avenue, Andres Bonifacio, Diffun, Quirino



MCLE COMPLIANCE NO. VIII 0028632

Issued on April 14, 2025

Valid Until April 14, 2028

THERMA LUZON, INC.

By:

PAUL B. SORIÑO

MCLE Compliance No. VIII – 0015628 / 7 Nov 2024

CELENI KRISTINE G. GUINTO

MCLE Compliance No. VIII – 0033645 / 14 May 2025



NIÑA DIANNE R. SANTIAGO

MCLE Compliance No. VIII – 0015623 / 7 Nov 2024

12th Floor Ayala Triangle Gardens Tower 2, Paseo de
Roxas corner Makati Ave., Makati City, 1226
regulatory.legal@aboitizpower.com

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

I, **CESAR P. GULLA**, of legal age, Filipino and with office address at Aurora East, Diffun, Quirino, after having been duly sworn in accordance with law, hereby depose and state, that:

1. I am the authorized representative of **QUIRINO ELECTRIC COOPERATIVE, INC. (QUIRELCO)** co-Applicant in this case, as per attached Board Resolution;

2. I caused the preparation and filing of this *Joint Application with Prayer for Confidential Treatment of Information* and have read the contents thereof, and, based on my own personal knowledge, belief and on authentic records of QUIRELCO, all the allegations contained therein 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. QUIRELCO 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 affixed my signature this December 12, 2025 in Diffun, Quirino.



CESAR P. GULLA

Affiant

SUBSCRIBED AND SWORN to before me this **DEC 12 2025** in **DIFFUN, QUIRINO**. Affiant exhibited to me his _____

Doc. No. 14 ;
Page No. 04 ;
Book No. 06 ;
Series of 2025.



ATTY. KISHEN KATE A. GUILLERMO

NOTARY PUBLIC

Notarial Commission No.: 03-2024 valid until December 31, 2025

Roll No. 91119

IBP O.R. No.: 491028 - 01/01/2025

PTR No.: 5835731 - 01/02/2025

MCLE Compliance No. VIII-0017148 valid until April 14, 2028
Diffun, Quirino

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

I, **LAWRENCE M. CUA**, of legal age, Filipino and with office address at 112th Floor Ayala Triangle Gardens Tower 2, Paseo de Roxas corner 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 LUZON, INC.** ("TLI"), 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 Confidential Treatment of Information* and have read the contents thereof, and, based on my own personal knowledge, belief and on authentic records of TLI, all the allegations contained therein 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. TLI 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 DEC 12 2025 at MAKATI CITY.



LAWRENCE M. CUA
Affiant

SUBSCRIBED AND SWORN to before me this DEC 12 2025 at MAKATI CITY. Affiant exhibited to me his Driver's License with No. _____

Doc. No. 418 ;
Page No. 85 ;
Book No. 85 ;
Series of 2025.



ATTY. DARWIN B. SANTOS
Notary Public for Makati City
Until December 31, 2025
Appointment No. M-015(2024-2025)
Roll of Attorney No. 57952
IBP No. 010313-Lifetime Member-December 29, 2011
PTR No. 10467089/Jan. 02, 2025/ Makati City
MCLF Compliance VIII No. 0022365/April 14, 2028.
U-1-A 2051 San Nicolas St. Guadalupe Nuevo Makati City