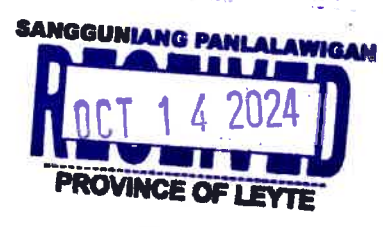


REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
JADE DRIVE, PASIG CITY

IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO DEVELOP, OWN, AND OPERATE DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO CONNECT THE TONGONAN BATTERY ENERGY STORAGE SYSTEM TO THE VISAYAS GRID, WITH MOTION FOR PROVISIONAL AUTHORITY AND FOR CONFIDENTIAL TREATMENT OF INFORMATION,



ERC CASE NO. 2024-035 MC

ENERGY DEVELOPMENT CORPORATION,
Applicant.
x-----x

PRE-TRIAL BRIEF

Applicant **ENERGY DEVELOPMENT CORPORATION** (“EDC”), by counsel, and unto this Honorable Commission, respectfully submits the following Pre-Trial Brief in connection with the above-captioned Application:

I.

PROPOSED STIPULATION OF FACTS

Applicant proposes the following stipulations:

1. EDC is a corporation duly organized and validly existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at 9th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City.

2. EDC is in the business of generation, sale, and supply of electricity from renewable energy (“RE”) sources, including participation and trading in any market for electricity, ancillary power, or intangible assets and to engage in additional business activities arising from or related to EDC’s primary purpose, including energy storage.

3. In anticipation of the increased VRE penetration which may negatively affect the reliability of the Grid, and to help address the increasing energy demand of the country, EDC is developing the **10MW/10 MWh TONGONAN BATTERY ENERGY STORAGE SYSTEM** (“Tongonan BESS” or the “Project”). For this purpose, EDC intends to develop, operate, and own dedicated point-to-point limited transmission facilities (the “Connection Asset”) that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation.

II.

ISSUES TO BE RESOLVED

- i. Whether or not the Honorable Commission should approve the instant Application and authorize EDC to develop, own and operate the Connection Assets to connect the Tongonan BESS to the Visayas Grid through the Tongonan 138kV Substation;
- ii. Whether or not EDC is financially capable to develop, own and operate the Connection Asset;
- iii. Whether or not EDC is technically capable to develop, own and operate the Connection Asset;
- iv. Whether or not a Provisional Authority should be issued by the Honorable Commission pending final decision on the Application; and
- v. Whether the Honorable Commission should treat Annexes “E”, “E-1”, “E-2”, “E-3”, “I”, “I-1”, “K”, “N”, “O”, “R”, “R-1”, “R-2”, “S”, and “T” as confidential in perpetuity, pursuant to Rule 4 of its Rules of Practice and Procedure.

III.

DOCUMENTS TO BE PRESENTED

4. Applicant will present the following documentary evidence in support of the Application and for the purposes indicated below:

EXH	Document	Purpose
A	Certificate of Incorporation of EDC	To prove, among others, the following: a) the Connection Asset is financially and technically feasible; b) EDC has the financial and technical capability to develop, operate, and own the Connection Asset; and c) compliance with technical pre-filing requirements.
B	Amended Articles of Incorporation of EDC	
B-1	By-Laws of EDC	
B-2	Secretary's Certificate	
C	Latest General Information Sheet of EDC	
D	Excerpt from DOE Power Development Plan 2020-2040	
D-1	Excerpt of NGCP's recommended Transmission Development Plan 2023-2040 showing the Project	
D-2	Request for DOE Endorsement dated June 28, 2024	
D-3	DOE Certificate of Endorsement dated August 7, 2024	
E*	Project Background and Description	
E-1*	Project Description (Interconnection Facilities)	
E-2*	Project Rationale	
E-3*	Feasibility Study	
F	DOE Certificate of Registration No. GRESC 2009-10-001	
G-series	Letter from NGCP forwarding the SIS to EDC and NGCP's System Impact Study on ± 30 MW Tongonan Energy Storage System Project, including letters to and from NGCP	
H-series	Environmental Compliance Certificate with No. ECC-CO-1507-0021, including letters to and from the DENR	
I*	Facilities Study	
I-1*	Review Report on the FS dated October 24, 2022	

J	Affidavit of Miguel Lorenzo S. De Vera, Vice President, stating that the necessary applications for approval and endorsement of the Project will be filed with the relevant government authorities	
K*	Detailed Estimated Cost of the Project	
L	SEC Form 17-A for 2022	
L-1	SEC Form 17-A for 2023	
M	Relevant Dates of the Project	
N*	Options considered and the comparison of these options	
O*	The list of names and addresses of personnel responsible for the design, installation, maintenance, and repair of equipment for the proposed system	
P	Single Line Diagram	
Q	Undertaking to Comply with the 2016 Philippine Grid Code	
R*	Conceptual Engineering Design and Drawings	
R-1*	Conceptual Layout	
R-2*	Proof of Technical Capability (Curriculum Vitae of Relevant EDC Personnel and List of Operations and Maintenance Team on site)	
S*	Gantt Chart schedule of the proposed projects	
T*	Project Contractors	
U	Other relevant certifications from the DOE	
V	Affidavit in Support of the Prayer for the Issuance of Provisional Authority	
W	Affidavit of Publication showing that a complete copy of the Application was published in the July 25, 2024 issue of "The Manila Times"	To show compliance with legal pre-filing requirements of the Honorable Commission
X	Complete Copy of July 25, 2024 issue of "The Manila Times" issue where the Application was published	

Y-series	Affidavit of Service showing that a complete copy of the Application, including its Annexes (except for Annexes subject of the Motion for Confidential Treatment), was sent to the Offices of the Mayor and Sangguniang Panlungsod of Pasig City and/or Certifications from the Offices of the Mayor and Sangguniang Panglungsod of Pasig City showing receipt of a complete copy of the Application and its Annexes (except for Annexes subject of the Motion for Confidential Treatment)	
Z-series	<p>Affidavit of Service showing that a complete copy of the Application, including its Annexes (except for Annexes subject of the Motion for Confidential Treatment), was sent to the following:</p> <ul style="list-style-type: none"> (a) Offices of the Governor and the Sangguniang Panlalawigan of the Province of Leyte; and (b) Offices of the Mayor and Sangguniang Panlungsod of Ormoc City; and (c) Offices of the Mayor and Sangguniang Bayan of Kananga, <p>and/or Certifications from the foregoing offices showing receipt of a complete copy of the Application and its Annexes (except for Annexes subject of the Motion for Confidential Treatment)</p>	
AA	Affidavit of Publication showing that the Notice of Virtual Hearing dated August 30, 2024 was published in the September 10, 2024 issue of "The Manila Times"	To prove, among others, a) compliance with the Jurisdictional Requirements; and b) compliance with the Order dated August 30, 2024
BB	Complete Copy of the September 10, 2024 issue of "The Manila Times"	
BB-1	The Notice of Virtual Hearing appearing on the September 10, 2024 issue of "The Manila Times"	

CC	Affidavit of Service showing that copies of the Order and Notice of Virtual Hearing dated August 30, 2024 with a request for posting on the respective bulletin boards were sent to the Office of the Governor and the Sangguniang Panlalawigan of the Province of Leyte, the Offices of the Mayors of Ormoc and Kananga, and Offices of the Sangguniang Panglungsod and Bayan of Ormoc and Kananga, respectively
DD	Certification from the Office of the Governor of Leyte showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the provincial bulletin board of the Office of the Governor of Leyte
EE	Certification from the Sangguniang Panlalawigan of Leyte showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the sanggunian bulletin board of the Sangguniang Panlalawigan of Leyte
FF	Certification from the Office of the Mayor of Kananga showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the municipal bulletin board of the Office of the Mayor of Kananga
GG	Certification from the Sangguniang Bayan of Kananga showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the sanggunian bulletin board of the Sangguniang Bayan of Kananga
HH	Certification from the Office of the Mayor of Ormoc showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the city bulletin board of the Office of the Mayor of Ormoc
II	Certification from the Sangguniang Panglungsod of Ormoc showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the sangguniang bulletin

	board of the Sangguniang Panglungsod of Ormoc	
JJ	Affidavit of Service showing that copies of the Order and Notice of Virtual Hearing dated August 30, 2024 with a request for posting on the respective bulletin boards were sent to the Office of the Mayor and Sangguniang Panglungsod of Pasig City	
KK	Certification from the Office of the Mayor of Pasig City showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the city bulletin board of the Office of the Mayor of Pasig City	
LL	Certification from the Sangguniang Panglungsod of Pasig City showing that the Order and Notice of Virtual Hearing dated August 30, 2024 were posted on the sangguniang bulletin board of the Sangguniang Panglungsod of Pasig City	
MM to MM-3	Letters showing that a complete copy of the Application (except for Annexes subject of the Motion for Confidential Treatment of Information) and the Order and Notice of Virtual Hearing dated August 30, 2024 were sent to and duly received by: <ul style="list-style-type: none"> a) Office of the Solicitor General; b) Commission on Audit; c) Committee on Energy, House of Representatives; and d) Committee on Energy, Senate of the Philippines 	To show a) compliance with the Order dated August 30, 2024, and b) that the i) Office of the Solicitor General, ii) Commission on Audit, iii) Committee on Energy of the House of Representatives, and iv) Committee on Energy of the Senate of the Philippines received a complete copy of the Application, including its annexes, and the Order and Notice of Virtual Hearing dated August 30, 2024
NN	Affidavit of Posting showing that the Order and Notice of Virtual Hearing August 30, 2024 were posted on the company's website and Facebook page	To show a) compliance with the Order dated August 30, 2024, and b) other means undertaken to inform consumers
OO	Affidavit of Posting from showing that the Order and Notice of Virtual Hearing dated August 30, 2024, along with all jurisdictional	To show a) compliance with the Order dated August 30, 2024, and b) that the jurisdictional

	requirements, were posted at the company's bulletin board	requirements, Order and Notice of Virtual Hearing dated August 30, 2024 were all posted on the Applicant's bulletin board
PP	Judicial Affidavit of Mr. Edric Jordan L. Regalario	<p>To testify on the material allegations in the Application, more specifically on the facts and circumstances leading to the necessity of EDC to develop, own and operate the Connection Asset to connect the Tongonan BESS to the Visayas Grid through the Tongonan 138kV Substation;</p> <p>To testify on the following: a) EDC is developing the Tongonan BESS; b) EDC plans to develop, own, and operate the Connection Asset that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation; c) The Connection Assets are consistent with NGCP's recommended Transmission Development Plan ("TDP") 2023-2040 awaiting approval by the DOE; d) The Connection Assets will be solely used by EDC and are required only for the purpose of connecting the Project to the Visayas Grid, through the Tongonan 138 kV Switchyard; e) EDC has the financial capability to develop, operate, and own the Connection Asset; f) The issuance of a Provisional Authority for this Application is warranted in order for the Connection Asset to be</p>

		<p>completed and ready for the testing and commissioning of the Project within the fourth quarter of 2024, and for the Project to be able to inject and absorb power from the Grid which will be able address the possible curtailment of non-VRE projects and help provide grid stability and reliability; and g) Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application; and</p> <p>To identify the documentary evidence attached to the Application and mentioned in his Judicial Affidavit in support of the Application and other relevant matters</p>
PP-1	Signature of Mr. Edric Jordan L. Regalario	To authenticate Exhibit "PP"
QQ	Judicial Affidavit of Engr. Elmer Joseph A. Lintag, Jr.	<p>To testify on the material allegations in the Application, more specifically on the facts and circumstances leading to the necessity of EDC to develop, own and operate the Connection Assets to connect the Tongonan BESS to the Visayas Grid through the Tongonan 138kV Substation;</p> <p>To testify on the following: a) EDC is developing the Tongonan BESS; b) EDC plans to develop, own, and operate the Connection Asset that will connect the Project to the Visayas Grid, through the Tongonan</p>

		138kV Substation; c) EDC has the technical capability to develop, operate, and own the Connection Asset; and d) Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application; and To identify the documentary evidence attached to the Application and mentioned in his Judicial Affidavit in support of the Application and other relevant matters
QQ-1	Signature of Engr. Elmer Joseph A. Lintag, Jr.	To authenticate Exhibit "QQ"
RR and RR-1	Hard and soft copies of the Expository Presentation	To a) show compliance with the Order and Notice of Virtual Hearing dated August 30, 2024, and b) explain in simple terms to Applicant's consumers and other concerned parties what the Application is all about

**Subject to motion for confidential treatment of information*

5. Applicant respectfully reserves the right to present additional documents and/or exhibits as shall become available for the purposes stated herein and/or for such other purposes necessary or proper in the course of trial or as the exigencies of the proceedings may require.

IV.

WITNESSES TO BE PRESENTED

A. Witness: Mr. Edric Jordan L. Regalario
Lead, New Business and Technologies and
Tongonan BESS Project Manager
Energy Development Corporation

Gist of Testimony

1. To testify on the material allegations in the Application, more specifically on the facts and circumstances leading to the necessity of EDC to develop, own and operate the Connection Assets to connect the Tongonan BESS to the Visayas Grid through the Tongonan 138kV Substation;
2. To testify on the following: a) EDC is developing the Tongonan BESS; b) EDC plans to develop, own, and operate the Connection Assets that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation; c) the Connection Assets are consistent with NGCP's recommended Transmission Development Plan ("TDP") 2023-2040 awaiting approval by the DOE; d) the Connection Assets will be solely used by EDC and are required only for the purpose of connecting the Project to the Visayas Grid, through the Tongonan 138kV Switchyard; e) EDC has the financial capability to develop, operate, and own the Connection Asset; f) The issuance of a Provisional Authority for this Application is warranted in order for the Connection Asset to be completed and ready for the testing and commissioning of the Project within the fourth quarter of 2024, and for the Project to be able to inject and absorb power from the Grid which will be able address the possible curtailment of non-VRE projects and help provide grid stability and reliability; and g) Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application; and
3. To identify the documentary evidence attached to the Application and mentioned in his Judicial Affidavit in support of the Application and other relevant matters

B. Witness: Engr. Elmer Joseph A. Lintag, Jr.
Lead - New Business and Technologies and
Tongonan BESS Technical Lead
Energy Development Corporation

Gist of Testimony

1. To testify on the material allegations in the Application, more specifically on the facts and circumstances leading to the necessity of EDC to develop, own and operate the Connection Assets to connect the Tongonan BESS to the Visayas Grid through the Tongonan 138kV Substation;

2. To testify on the following: a) EDC is developing the Tongonan BESS; b) EDC plans to develop, own, and operate the Connection Asset, that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation; c) EDC has the technical capability to develop, operate, and own the Connection Asset; and d) Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application; and

3. To identify the documentary evidence attached to the Application and mentioned in his Judicial Affidavit in support of the Application and other relevant matters

RESPECTFULLY SUBMITTED.


Pasig City, September 27, 2024.

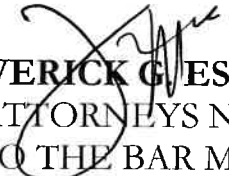
**The Law Firm of
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By:


MIGUEL K. MATHAY

ROLL OF ATTORNEYS NO. 43982
MCLE COMPLIANCE NO. VI-0010308; 4/14/2022
PTR NO. 0173785; 01/02/2024
PASIG CITY
IBP NO. 302181; 01/08/2024
RIZAL (RSM)


GIANNA MARIA C. COMSTI
ROLL OF ATTORNEYS NO. 63071
MCLE COMPLIANCE NO. VII-0015472; 4/14/2025
PTR NO. 0173730; 01/02/2024
PASIG CITY
IBP NO. 302158; 01/08/2024
RIZAL (RSM)


JOHN MAVERICK G. ESPINOLA
ROLL OF ATTORNEYS NO. 81683
ADMITTED TO THE BAR MAY 24, 2022
PTR NO. 0173784; 01/02/2024
PASIG CITY
IBP NO. 302165; 01/08/2024
RIZAL (RSM)

EXPLANATION

Due to the volume of pleadings, motions and other correspondence filed/sent by the Firm daily, the Firm is constrained to cause the service of the copy of the foregoing pleading to the other parties by registered mail or licensed courier or electronic mail instead of by personal service.


JOHN MAVERICK G. ESPINOLA

Copy furnished by registered mail:

Office of the Solicitor General (OSG)
134 Amorsolo Street, Legaspi Village
City of Makati 1229
docket@osg.gov.ph

(registered mail)

Commission on Audit (COA)
Commonwealth Avenue
Quezon City 1121
citizensdesk@coa.gov.ph

(registered mail)

Senate Committee on Energy GSIS Building, Roxas Boulevard Pasay City 1300 senateenergycommittee@gmail.com	(registered mail)
House of Representatives Committee on Energy Batasan Hills, Quezon City 1126 committee.energy@house.gov.ph	(registered mail)
Office of the Governor Province of Leyte, 6501	(registered mail)
Office of the Sangguniang Panlalawigan Province of Leyte, 6501	(registered mail)
Office of the Municipal Mayor Kananga, 6531 Leyte	(registered mail)
Office of the Sangguniang Bayan Kananga, 6531 Leyte	(registered mail)
Office of the City Mayor 1600, Pasig City	(registered mail)
Office of the Sangguniang Panlungsod 1600, Pasig City	(registered mail)
National Grid Corporation of the Philippines (NGCP) NGCP Building, Quezon Ave. cor. BIR Road, Diliman, 1100 Quezon City litigation&regulatory@ngcp.ph corpcom@ngcp.com.ph	(registered mail)
Regulatory Operations Service Energy Regulatory Commission, 14 th Floor, Exquadra Tower Jade Drive, 6501 Pasig City ros@erc.ph	(registered mail)

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
JADE DRIVE, PASIG CITY

IN THE MATTER OF THE
APPLICATION FOR AUTHORITY TO
DEVELOP, OWN, AND OPERATE
DEDICATED POINT- TO-POINT
LIMITED TRANSMISSION
FACILITIES TO CONNECT THE
TONGONAN BATTERY ENERGY
STORAGE SYSTEM TO THE VISAYAS
GRID, WITH MOTION FOR
PROVISIONAL AUTHORITY AND
FOR CONFIDENTIAL TREATMENT
OF INFORMATION,

ERC CASE NO. 2024-035 MC

ENERGY DEVELOPMENT
CORPORATION,

Applicant.

x-----x

**JUDICIAL AFFIDAVIT OF
EDRIC JORDAN L. REGALARIO**

The following is the testimony of Edric Jordan L. Regalario, of legal age, Filipino, with office address at 9th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City.

Atty. John Maverick G. Espinola, of legal age, Filipino, with office address at 21st Floor Robinsons-Equitable Tower, 4 ADB Avenue, Ortigas Center, Pasig City, conducted and supervised the examination of the witness which was held in the conference room of the Law Firm of Quiason Makalintal.

Atty. Espinola made clear to the witness that he is answering the questions under oath and that he may face criminal liability for false testimony or perjury. The questions were administered in English, a language known to the witness. The examination was subsequently reduced to writing, and the witness appeared before a Notary Public to subscribe and swear to his Judicial Affidavit.

Offer of Testimony: The testimony of the witness is being offered to prove the following:

- a. Energy Development Corporation (“EDC”) is developing the 10MW/10 MWh Tongonan Battery Energy Storage System (the “Project” or “Tongonan BESS”);
- b. EDC plans to develop, own, and operate a dedicated point-to-point limited transmission facilities (the “Connection Asset”) that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation;
- c. The Connection Assets are consistent with NGCP’s recommended Transmission Development Plan (“TDP”) 2023-2040 awaiting approval by the DOE;
- d. The Connection Assets will be solely used by EDC and are required only for the purpose of connecting the Project to the Visayas Grid, through the Tongonan 138kV Switchyard;
- e. EDC has the financial capability to develop, construct, and fund the Connection Asset;
- f. The issuance of a Provisional Authority for this Application is warranted in order for the Connection Asset to be completed and ready for the testing and commissioning of the Project within the fourth quarter of 2024, and for the Project to be able to inject and absorb power from the Grid which will be able address the possible curtailment of non-VRE projects and help provide grid stability and reliability;
- g. The confidential nature of Annexes “E”, “E-1”, “E-2”, “E-3”, “I” to “I-1”, “K”, “N”, “O”, “R” to “R-2”, “S”, and “T” of the Application, and the information in such Annexes; and
- h. Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application.

Testimony of Edric Jordan L. Regalario

1. **Q: Please state your name and other circumstances relevant to this Application.**

A: My name is Edric Jordan L. Regalario. I am of legal age, Filipino, with office address at 9th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City. I am currently employed as Lead - New Business and Technologies at Energy Development Corporation (“EDC”).

I am a graduate of University of the Philippines - Diliman with a degree in BS Industrial Engineering

2. **Q: What are your duties and functions as Lead - New Business and Technologies?**

A: As Lead - New Business and Technologies and Tongonan BESS Project Manager of EDC, I act as the project manager of the Project. I am in charge of coordinating and overseeing the safe and timely implementation of the Project within the allocated budget. I also supervise all permit applications required for the Project, including the Application with the Energy Regulatory Commission (“ERC”).

3. **Q: Are you familiar with this Application entitled “In the Matter of the Application for Authority to Develop, Own, and Operate Dedicated Point-to-Point Limited Transmission Facilities to Connect the Tongonan Battery Energy Storage System to the Visayas Grid, with Prayer for Provisional Authority and For Confidential Treatment of Information”? If yes, how so?**

A: Yes. I am familiar with this Application because I was involved in the preparation of this Application and some of its supporting documents.

As mentioned, I am the Lead - New Business and Technologies and Tongonan BESS Project Manager of EDC and part of the project management team that oversees the development and completion of the Tongonan BESS. One of the components of the Project that our team is managing is the construction of the Connection Assets that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation.

4. **Q: What is the subject of this Application?**

A: The subject of this Application is the dedicated point-to-point limited transmission facilities that will connect the Tongonan BESS to the Visayas Grid, through the Tongonan 138kV Substation.

5. **Q: Who is the Applicant in this case?**

A: The Applicant is Energy Development Corporation (“EDC” or “Applicant”).

6. **Q: What is the authority of EDC to file the Application with the ERC?**

A: The authority to file the Application with the ERC is contained in a Secretary’s Certificate dated 12 July 2024 issued by the Corporate Secretary of EDC (Annex B-2 of the Application).

7. **Q: What kind of business is EDC engaged in?**

A: Based on its Certificate of Incorporation, original Articles of Incorporation (“AOI”) (Annex A of the Application), and By-Laws (Annex B-1 of the Application), and Amended AOI (Annex B of the Application), EDC is a corporation duly organized and validly existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at the 9th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City.

EDC is engaged in the business of, among others, “the generation, sale, and supply of electricity from renewable energy sources, including participation and trading in any market for electricity, ancillary power, or intangible assets, such as tradable certificates and other financial instruments, without engaging in the business of an investment company or a broker or dealer of securities”. It is also authorized to engage in additional business activities arising from or related to the Company’s primary purpose, such as those related to energy storage, provision of ancillary services, and energy trading transactions.

On 23 October 2009, EDC was granted a Certificate of Registration by the Department of Energy (“DOE”) (Annex F of the Application), with Registration No. GRESC 2009-10-001. This Certificate recognizes EDC as a Renewable Energy Developer of Geothermal Energy Resources located in Tongonan, Leyte, which is covered by Geothermal Renewable Energy Service Contract No. 2009-10-001.

8. **Q: What is the reason for the filing of this Application by EDC?**

A: EDC filed the Application to get the ERC's authorization for EDC to develop, own, operate, and maintain the Connection Assets as I understand it is required under Republic Act No. 9136. In order to inject and absorb power from the Grid, as needed, EDC intends to construct the Connection Asset that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation.

9. **Q: Why did EDC construct the Project?**

A: EDC developed and constructed the Project in anticipation of the increased VRE penetration which may negatively affect the reliability of the Grid, and to help address the increasing energy demand of the country.

In its Power Development Plan 2020-2040 (Annex D of the Application), the DOE recognizes the growing demand for power in the Philippines. For the Visayas Grid, the DOE projects the peak demand to more than quadruple, from 2,201 MW in 2020 to 8,982 MW in 2040. Given this and based on its simulations for a high-demand scenario vis-a-vis an aspirational target of 50% renewable energy power generation mix by 2040 (*i.e.*, "RE50-High Demand Scenario"), the DOE projects that a total of 19,195 MW new build capacities must be added to meet the demand and reserve margin requirements of the grid. Renewable energy's share in these new build capacities is broken down as follows: 9,992 MW from solar; 4,335 MW from hydro; 3,768 MW from wind; 860 MW from gas; and 240 MW from geothermal.

In DOE Circular No. DC2023-04-0008, the DOE recognized the applications and benefits of energy storage systems (ESS) in the improvement of the electric power system in accordance with the objective of ensuring the quality, reliability, security, sustainability, and affordability of the supply of electric power, and accelerating the exploration, development, and utilization of renewable energy (RE) resources.

Moreover, the DOE recognized ESS as facilities capable of absorbing energy directly from the Grid or distribution system, or from a power plant connected to the Grid or distribution system and storing it for a period of time, and injecting stored energy when prompted, needed to ensure reliability and balanced power system.

10. **Q: What options did EDC consider for the connection of the Project to the Grid?**

A: EDC carefully studied two locations and transmission line route options for the Project: (a) Option A, which will entail the construction of about 305 meters (above-ground connection) or 201 meters (underground connection) of new transmission line and tower from the ESS substation project area up to the existing Tongonan Switchyard where the ESS project area would be around 8100 sqm, and (b) Option B, which will entail the construction of about 151 meters (above-ground connection) or 88.2 meters (underground connection) of new transmission line and tower from the ESS substation project area up to the existing Tongonan Switchyard where the ESS project area would be around 7000 sqm (Annex N of the Application).

Due to the shorter required transmission line length, less slope, and lack of physical obstructions, EDC chose Option B. In the System Impact Study (part of Annex G-series of the Application), the NGCP confirmed that the connection scheme in Option B is acceptable.

11. **Q: Is the Connection Asset consistent with the Transmission Development Plan?**

A: Yes, the Connection Asset is listed under Appendix 4 - Private Sector Initiated Power Projects (specifically page 193) of NGCP's recommended Transmission Development Plan 2023-2040 which is awaiting approval by the DOE (Annex D-1 of the Application).

12. **Q: Other than the excerpt of the Transmission Development Plan, what proof does EDC have to support this statement, if any?**

A: I have here the Certificate of Endorsement issued by DOE on August 7, 2024 stating that the Project is consistent with the provisions of Section 9 of Republic Act No. 9136 or the Electric Power Industry and Reform Act of 2001.

13. **Q: If you are shown this document, will you be able to identify it?**

A: Yes.

14. Q: I am now showing you a DOE Certificate of Endorsement dated August 7, 2024 marked as Exhibit “D-3”. How is this related to the document you mentioned earlier?

A: This is the same document.

Counsel: A copy of the DOE Certificate of Endorsement is attached hereto and marked as Exhibit “D-3”.

15. Q: What is the estimated cost of the development and construction of the Connection Asset?

A: The estimated cost for constructing and developing the Connection Asset is Php 488.570 Million (Annex K of the Application).

16. Q: Is EDC financially capable of developing, constructing, operating, and maintaining the Connection Asset, as well as funding the construction thereof?

A: Yes.

17. Q: How will the Connection Asset be funded?

A: The Project, including the Connection Asset, will be funded through a combination of debt and internally generated funds with a ratio of 70% debt and 30% equity.

EDC’s 2022 and 2023 SEC Form 17-A (Annexes L and L-1, respectively) will show that EDC has the financial capability to undertake the construction, development, operation, and maintenance of the entire Project, which is expected to be in operation within the fourth quarter of 2024

18. Q: Could you please enumerate all other documents that have been attached to the Application in support of the Application and which form an integral part of the Application and that have been provided by EDC from its official records?

A: The following documents have been attached to the physical copy of the Application as submitted to the ERC and have come from the official records of EDC:

Annex	Document
A	Certificate of Incorporation of EDC
B	Amended Articles of Incorporation of EDC
B-1	By-Laws of EDC
B-2	Secretary's Certificate
C	Latest General Information Sheet of EDC
D	Excerpt from DOE Power Development Plan 2020-2040
D-1	Excerpt of NGCP's recommended Transmission Development Plan 2023-2040 showing the Project
D-2	Request for DOE Endorsement dated June 28, 2024
E*	Project Background and Description
E-1*	Project Description (Interconnection Facilities)
E-2*	Project Rationale
E-3*	Feasibility Study
F	DOE Certificate of Registration No. GRESC 2009-10-001
G-series	Letter from NGCP forwarding the SIS to EDC and NGCP's System Impact Study on ± 30 MW Tongonan Energy Storage System Project, including letters to and from NGCP
H-series	Environmental Compliance Certificate under ECC No. ECC-CO-1507-0021, including letters to and from DENR
I*	Facilities Study
I-1*	Review Report on the FS dated October 24, 2022
J	Affidavit of Miguel Lorenzo S. De Vera, Vice President, stating that the necessary applications for approval and endorsement of the Project will be filed with the relevant government authorities
K*	Detailed Estimated Cost of the Project
L	SEC Form 17-A for 2022
L-1	SEC Form 17-A for 2023
M	Relevant Dates of the Project
N*	Options considered and the comparison of these options
O*	The list of names and addresses of personnel responsible for the design, installation, maintenance, and repair of equipment for the proposed system
P	Single Line Diagram
Q	Undertaking to Comply with the 2016 Philippine Grid Code
R*	Conceptual Engineering Design and Drawings
R-1*	Conceptual Layout
R-2*	Proof of Technical Capability (Curriculum Vitae of Relevant EDC Personnel and List of Operations and Maintenance Team on site)
S*	Gantt Chart schedule of the proposed projects
T*	Project Contractors
U	Other relevant certifications from the DOE
V	Affidavit in Support of the Prayer for the Issuance of Provisional Authority

** Subject to motion for confidential treatment of information*

19. Q: If you are shown a copy of the Application as physically submitted to the ERC, with all Annexes you've mentioned as attached thereto, will you be able to identify these?

A: Yes.

20. Q: I am showing you a complete copy of the Application entitled "IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO DEVELOP, OWN, AND OPERATE DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO CONNECT THE TONGONAN BATTERY ENERGY STORAGE SYSTEM TO THE VISAYAS GRID, WITH MOTION FOR PROVISIONAL AUTHORITY AND FOR CONFIDENTIAL TREATMENT OF INFORMATION" with case number "ERC Case No. 2024-035MC" with attached annexes as marked from Annex "A" to "V". How is this Application and the annexes attached hereto related to the Application and annexes which you just mentioned?

A: These are the same annexes and documents I mentioned.

21. Q: What other documents, if any, did EDC submit with its Application or in support thereof?

A: On August 16, 2024, EDC also physically submitted to the ERC the following documents which were inadvertently uploaded in EVOSS as Annexes "D-2", "H-1", "H-2" and "H-3":

Annex	Document
D-2	EVOSS screenshot + EDC Letter to DOE dated June 28, 2024)
H-1	DENR Letter dated Feb. 2, 2020 re ECC Amendment (ECC-CO-1507-0021)
H-2	DENR Letter dated Sept. 2023 re minor ECC Amendment to include BESS
H-3	EDC Letter to DENR dated June 13, 2024 regarding request for minor ECC amendment

22. Q: If you are shown these documents, will you be able to identify these?

A: Yes.

23. Q: I am showing you a Manifestation dated August 16, 2024 with attached following documents:

Annex	Document
D-2	EVOSS screenshot + EDC Letter to DOE dated June 28, 2024)
H-1	DENR Letter dated Feb. 2, 2020 re: ECC Amendment (ECC-CO-1507-0021)
H-2	DENR Letter dated Sept. 2023 re: minor ECC Amendment to include BESS
H-3	EDC Letter to DENR dated June 13, 2024 regarding request for minor ECC amendment

How are these related to the documents you mentioned?

A: These are the same documents.

24. Q: As mentioned earlier, the instant Application includes a motion for provisional authority. Why should the provisional authority be granted in this case?

A: In anticipation of the increased VRE penetration, the completion of the Project within the projected time frame is critical to ensure that additional VRE projects will increase the overall capacity of the Visayas Grid and not result in curtailment of existing non-VRE projects. Furthermore, the Project can also provide grid frequency regulation, the demand for which is expected to increase as VRE capacity increases. EDC intends to achieve commercial operations for the Project within the fourth quarter of 2024 to be able to inject and absorb power from the Grid which will be able to address the possible curtailment of non-VRE projects and help provide grid stability and reliability.

25. Q: In your answer to Q18 you mentioned that Annexes “E”, “E-1”, “E-2”, “E-3”, “I”, “I-1”, “K”, “N”, “O”, “R”, “R-1”, “R-2”, “S” and “T” of the Application are subject to a motion for confidential treatment of information. What is the basis for this, if any?

A: EDC requested that these documents be declared confidential because these documents contain confidential information critical to the business operation of EDC, the Project, and its finances, including trade secrets and business calculations, assumptions and projections, as well as personal employee information which may be covered by the Data Privacy Act. Moreover, if these documents are divulged to the public, EDC's competitors may unfairly utilize them to gain advantage over EDC, to its detriment.

26. Q: Do you swear and confirm the truthfulness and veracity of the statements you have made in this Judicial Affidavit?

A: I do.

27. Q: Do you swear and confirm that all the documents attached to the Application are true and faithful copies of documents in the custody and possession of EDC?

A: I do.

IN WITNESS WHEREOF, I have signed this Judicial Affidavit this 27th day of September 2024 in Pasig City, to prove the truthfulness of all my statements here and to identify and authenticate the documents. I also attest that I answered all the questions asked of me, fully conscious that I have done so under oath, and that I may face criminal liability for false testimony or perjury.




EDRIC JORDAN L. REGALARIO

Affiant

SUBSCRIBED AND SWORN to before me this 27th day of September 2024 in Pasig City, Philippines, Affiant personally appeared and exhibited to me his competent evidence of identity in the form of Passport No. P7721923B issued by DFA NCR East on September 28, 2031.

Doc. No. 447 ;
Page No. 91 ;
Book No. L ;
Series of 2024.


BEATRIZ RAINE L. BAYUDAN
NOTARY PUBLIC
FOR AND IN THE CITY OF PASIG AND SAN JUAN
AND IN THE MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
PTR NO. 0173728; 01/02/2024; PASIG CITY
IBP NO. 302186; 01/08/2024; RIZAL (RSM)
ROLL NO. 77792/APPOINTMENT NO. 217 (2023-2024)
21/F Robinsons-Equitable Tower, 4 ADB Ave. cor. Poveda St
1605 Ortigas Center, Pasig City

ATTESTATION

I, Atty. John Maverick G. Espinola, with office address at 21st Floor Robinsons Equitable Tower, 4 ADB Avenue cor. Pedro Poveda Road, Ortigas Center, Pasig City, 1605 Philippines, attest under oath that:


1. I personally conducted the examination of the witness for the above captioned case;
2. I made clear to the witness that he is answering the questions under oath and that he may face criminal liability for false testimony or perjury;
3. I faithfully recorded the questions I asked him and the corresponding answers he gave me; and
4. Neither I nor any other person then present or assisting me coached him regarding his answers.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of September 2024 in Pasig City, Philippines.


JOHN MAVERICK G. ESPINOLA
Affiant

SUBSCRIBED AND SWORN to before me this 27th day of September 2024 in Pasig City, Philippines, affiant personally known to me, appeared and exhibited to me competent evidence of his Driver's License No. N02-14-011815 valid until 13 January 2032.

Doc. No. 448 ;
Page No. 91 ;
Book No. I ;
Series of 2024.


BEATRIZ RAINE L. BAYUDAN
NOTARY PUBLIC
FOR AND IN THE CITY OF PASIG AND SAN JUAN
AND IN THE MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
PTR NO. 0173728; 01/02/2024; PASIG CITY
IBP NO. 302166; 01/08/2024; RIZAL (RSM)
ROLL NO. 77792/APPOINTMENT NO. 217 (2023-2024)
21/F Robinsons-Equitable Tower, 4 ADB Ave. cor. Poveda St.
1605 Ortigas Center, Pasig City



Republic of the Philippines
Department of Energy
(Kagawaran ng Enerhiya)



"D-3"

EXHIBIT

05 August 2024

MR. MIGUEL LORENZO S. DE VERA
Vice President
Energy Development Corporation (EDC)
9th Floor Rockwell Business Center Tower 3
Ortigas Avenue, Pasig City

Dear **Mr. De Vera**:

This refers to the letter of **EDC** dated 16 July 2024, received by the Electric Power Industry Management Bureau (EPIMB) through the Energy Virtual One Stop Shop System on 22 July 2024, requesting the Department of Energy (DOE) endorsement of the application filed with the Energy Regulatory Commission to develop, own and operate a dedicated point-to-point limited transmission facilities to connect to the grid its **Tongonan Energy Storage System** with a capacity of up to **30.000 MW / 30.000 MWh** located within the Tongonan Geothermal Project in Barangay Lim-ao, Municipality of Kananga, Province of Leyte.

In view thereof and as part of the reforms instituted under the Electric Power Industry Reform Act of 2001 (EPIRA), the DOE hereby provides **EDC** this Certification, consistent with Section 9 of the EPIRA, to develop, own and/or operate dedicated point-to-point limited transmission facilities; Provided, that 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 as provided in Section 5 (a)(i), Rule 5, Part II of the EPIRA Implementing Rules and Regulations.

Thank you for your usual cooperation.

Very truly yours,

IRMA C. EXCONDE
Director IV
Electric Power Industry Management Bureau

cc: Secretary Raphael P. M. Lotilla
Undersecretary Rowena Cristina L. Guevara, Ph.D.
Assistant Secretary Mario C. Marasigan, CESO III



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)



CERTIFICATE OF ENDORSEMENT
DOE-EPIMB-ERC-P2P No. 2024-08-027

This is to certify that the application filed by **Energy Development Corporation** with the Energy Regulatory Commission to develop, own, and operate a dedicated point-to-point limited transmission facilities to connect to the grid the **Tongonan Energy Storage System** with a capacity of up to **30,000 MW / 30,000 MWh** located within the Tongonan Geothermal Project in **Barangay Lim-ao, Municipality of Kananga, Province of Leyte**, is consistent with the provisions of Section 9 of the Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001.

This Certification is issued in support to Generation Companies to develop, own and/or operate dedicated point-to-point limited transmission facilities; provided, that 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.

Given this 31st 2024 at Bonifacio Global City, City of Taguig, Metro Manila.

IRMA C. EXCONDE
Director IV

Electric Power Industry Management Bureau

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
JADE DRIVE, PASIG CITY

IN THE MATTER OF THE
APPLICATION FOR AUTHORITY TO
DEVELOP, OWN, AND OPERATE
DEDICATED POINT- TO-POINT
LIMITED TRANSMISSION
FACILITIES TO CONNECT THE
TONGONAN BATTERY ENERGY
STORAGE SYSTEM TO THE VISAYAS
GRID, WITH MOTION FOR
PROVISIONAL AUTHORITY AND
FOR CONFIDENTIAL TREATMENT
OF INFORMATION

ERC CASE NO. 2024-035 MC

ENERGY DEVELOPMENT
CORPORATION,

Applicant.

x-----x

**JUDICIAL AFFIDAVIT OF
ENGR. ELMER JOSEPH A. LINTAG, JR.**

The following is the testimony of **Elmer Joseph A. Lintag, Jr.**, of legal age, Filipino, with office address at Dumaguete Business Park, Brgy. Calindagan, Dumaguete city, Negros Oriental, 6200.

Atty. **JOHN MAVERICK G. ESPINOLA**, of legal age, Filipino, with office address at 21st Floor Robinsons-Equitable Tower, 4 ADB Avenue, Ortigas Center, Pasig City, conducted and supervised the examination of the witness through remote communication.

Atty. **ESPINOLA** made clear to the witness that he is answering the questions under oath and that he may face criminal liability for false testimony or perjury. The questions were administered in English, a language known to the witness. The examination was subsequently reduced to writing, and the witness appeared before a Notary Public to subscribe and swear to his Judicial Affidavit.

Offer of Testimony: The testimony of the witness is being offered to prove the following:

- a. Energy Development Corporation (“EDC”) is developing the 10MW/10 MWh Tongonan Battery Energy Storage System (the “Project” or “Tongonan BESS”);
- b. EDC plans to construct a dedicated point-to-point limited transmission facilities (the “Connection Asset”) that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation;
- c. EDC has the technical capability to develop and construct the Connection Asset; and
- d. Other matters relevant to the Application such as the identification of documentary evidence mentioned in his Affidavit in support of the Application.

Testimony of Engr. Elmer Joseph A. Lintag, Jr.

1. **Q: Please state your name and other circumstances relevant to this Application.**

A: My name is Elmer Joseph A. Lintag, Jr.. I am of legal age, Filipino, and with office address at Dumaguete Business Park, Brgy. Calindagan, Dumaguete City, Negros Oriental, 6200. I am currently employed as Lead - New Business and Technologies and Tongonan BESS Technical Lead at Energy Development Corporation (“EDC”).

I am a graduate of Negros Oriental State University with a degree in Bachelor of Science in Electronics and Communications Engineering (BSECE). I am also a licensed Electronics and Communications Engineer with License No. 356798.

2. **Q: What are your duties and functions as Lead - New Business and Technologies and Tongonan BESS Technical Lead?**

A: As Lead - New Business and Technologies and Tongonan BESS Technical Lead of EDC, I act as the overall technical lead for the Project. I am in charge of determining the best option possible for existing and proposed assets which need enhancement or improvement by ensuring balance among cost-effectiveness, safety and constructability.

3. **Q: Are you familiar with this Application entitled “In the Matter of the Application for Authority to Develop, Own, and Operate Dedicated Point-to-Point Limited Transmission Facilities to Connect the Tongonan Battery Energy Storage System to the Visayas Grid, with Prayer for Provisional Authority and For Confidential Treatment of Information”? If yes, how so?**

A: Yes. I am familiar with this Application because I was involved in the preparation of this Application and some of its supporting documents.

I am also part of the technical team that supports the development of the Tongonan BESS. One of the components of the Project that I took part in is managing the construction of the Connection Asset that will connect the Project to the Visayas Grid, through the Tongonan 138kV Substation.

4. **Q: What is the subject of this Application?**

A: The subject of this Application is the dedicated point-to-point limited transmission facilities that will connect the Tongonan BESS to the Visayas Grid, through the Tongonan 138kV Substation.

5. **Q: Who is the Applicant in this case?**

A: The Applicant is Energy Development Corporation (“EDC” or “Applicant”).

6. **Q: What kind of business is EDC engaged in?**

A: EDC is engaged in the business of, among others, “the generation, sale, and supply of electricity from renewable energy sources, including participation and trading in any market for electricity, ancillary power, or intangible assets, such as tradable certificates and other financial instruments, without engaging in the business of an investment company or a broker or dealer of securities”. It is also authorized to engage in additional business activities arising from or related to the Company’s primary purpose, such as those related to energy storage, provision of ancillary services, and energy trading transactions.

7. **Q: What is the reason for the filing of this Application by EDC?**

A: EDC filed the Application because it would like to obtain the ERC’s authorization for EDC to develop, own, and operate the Connection Assets. The Connection Asset will connect the Project to the Visayas Grid, through the Tongonan 138kV Switchyard, so that the Project can inject and absorb power from the Grid, as needed.

8. **Q: Why did EDC construct the Project?**

A: The Project is intended to address the potential adverse effects of variable renewable energy (VRE) penetration to the Grid's stability and reliability.

Due to the projected increase in peak demand for electricity and to meet the reserve margin requirements of the Grid, the Department of Energy (DOE) projects the need for a total of 19,195 MW in new build capacities. RE's share in these new build capacities are broken down as follows: 9,992 MW from solar; 4,335 MW from hydro; 3,768 MW from wind; 860 MW from biomass; and 240 MW from geothermal.

It should be noted that VRE resources, such as solar and wind, have a significant share in the new build capacities for RE. However, the increase in VRE penetration can adversely affect the stability and reliability of the Grid.

The Project, which is an ESS facility, is capable of absorbing energy directly from the Grid or distribution system, or from a power plant connected to the Grid or distribution system and storing it for a period of time, and injecting stored energy when prompted, needed to ensure reliability and balanced power system.

9. **Q: Is EDC technically capable of developing, constructing, operating and maintaining the Connection Asset? Please elaborate.**

A: Yes, EDC has the technical capability to develop, construct, operate, and maintain the Connection Asset.

EDC is the largest producer of geothermal energy in the Philippines and the third largest in the world. It has expertise spanning the entire geothermal energy value chain, including geothermal energy exploration and development, reservoir engineering and management, engineering design and construction, environmental management, and energy research and development.

Likewise, EDC's track record shows that it has the technical capability to develop, construct, operate, and maintain the Connection Asset based on the design and configuration in the SLD attached to the SIS as accepted by NGCP.

The operation and maintenance of the Connection Asset is planned to be carried out by personnel belonging to the Facilities Operations and Maintenance ("FOM") Group of both EDC. These personnel will be under the supervision and direction of Engr. Liberator S. Virata, as the Head of EDC FOM. The personnel can all be contacted through EDC at its principal office address.

10. **Q: Who will be using the Connection Asset?**

A: The Connection Asset will be used solely by EDC.

Based on the Single Line Diagram (submitted as Annex "P" of the Application), the proposed interconnection shows that the Connection Asset will be exclusively used by EDC to connect the Project to the Visayas Grid, through the Tongonan 138kV Substation, and that the Connection Asset is not designed and configured to serve end-users or suppliers directly.

11. **Q: If you are shown a copy of the Single Line Diagram as submitted as Annex "P" of the Application, will you be able to identify it?**

A: Yes.

12. **Q: I am showing you Annex "P" as attached to the Application physically submitted to the Energy Regulatory Commission ("ERC"). How is this document related to the Single Line Diagram you mentioned?**

A: This is the same document.

13. **Q: Do you swear and confirm the truthfulness and veracity of the statements you have made in this Judicial Affidavit?**

A: I do.

14. **Q: Do you swear and confirm that all the documents attached to the Application are true and faithful copies of documents in the custody and possession of EDC?**

A: I do.

IN WITNESS WHEREOF, I have signed this Judicial Affidavit this _____ day of September 2024 in _____, to prove the truthfulness of all my statements here and to identify and authenticate the documents. I also attest that I answered all the questions asked of me, fully conscious that I have done so under oath, and that I may face criminal liability for false testimony or perjury.


ELMER JOSEPH A. LINTAG, JR.

Affiant

SUBSCRIBED AND SWORN to before me this ____ day of September 2024 in _____ CITY, Affiant personally appeared and exhibited to me his competent evidence of identity in the form of Philippine Passport No. P9364366B issued by DFA Dumaguete on March 26, 2022

Doc. No. 152 ;
Page No. 32 ;
Book No. 2 ;
Series of 2024.

ATTY. JAN MARK M. WONG
Notary Public for the City of Dumaguete and the
Municipalities of Sibulan, Bacang, Valencia, Datin,
Zamboanguita, and Sison Until December 31, 2025
Notarial Serial No. 2024-008
ROLL OF ATTORNEYS NO. 82963
PTR NO. 3912266A, 1/02/2024, DGTE.CITY
ISF MEMBERSHIP NO. 330427, 12/18/2023
MCLE EXEMPTED, ADMITTED TO THE BAR 5/31/2022
RMS, 2/F ELAGOR ELAGOR & ENJOY BLDG.
COR. PINLI ST. & STA. CATALINA ST. DGTE. CITY 6200
EMAIL: atty.janmarkwong@gmail.com
Contact No. 0915-7237488

ATTESTATION

I, Atty. John Maverick G. Espinola, with office address at 21st Floor Robinsons Equitable Tower, 4 ADB Avenue cor. Pedro Poveda Road, Ortigas Center, Pasig City, 1605 Philippines, attest under oath that:


1. I personally conducted the examination of the witness for the above captioned case;
2. I made clear to the witness that he is answering the questions under oath and that he may face criminal liability for false testimony or perjury;
3. I faithfully recorded the questions I asked him and the corresponding answers he gave me; and
4. Neither I nor any other person then present or assisting me coached him regarding his answers.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of September 2024 in Pasig City, Philippines.


JOHN MAVERICK G. ESPINOLA
Affiant

SUBSCRIBED AND SWORN to before me this 27th day of September 2024 in Pasig City, Philippines, affiant personally known to me, appeared and exhibited to me competent evidence of his Driver's License No. N02-14-011815 valid until 13 January 2032.

Doc. No. 451 ;
Page No. 92 ;
Book No. 1 ;
Series of 2024.


BERNICE RAINE L. BAYUDAN
NOTARY PUBLIC
FOR AND IN THE CITY OF PASIG AND SAN JUAN
AND IN THE MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
PTR NO. 0173728; 01/02/2024; PASIG CITY
IBP NO. 308166; 01/08/2024; RIZAL (RSM)
ROLI NO. 77792/APPOINTMENT NO. 217 (2023-2024)
21/F Robinsons-Equitable Tower, 4 ADB Ave. cor. Poveda St
1605 Ortigas Center, Pasig City



EXPOSITORY PRESENTATION

Tongonan Energy Storage System

ENERGY DEVELOPMENT CORPORATION (EDC)

ERC Case No. 2024-035 MC

**IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO DEVELOP, OWN,
AND OPERATE DEDICATED POINT-TO-POINT LIMITED TRANSMISSION
FACILITIES TO CONNECT THE TONGONAN BATTERY ENERGY STORAGE
SYSTEM PROJECT TO THE VISAYAS GRID, WITH MOTION FOR PROVISIONAL
AUTHORITY AND FOR CONFIDENTIAL TREATMENT OF INFORMATION**

**EDC RESPECTFULLY REQUESTS THE HONORABLE
COMMISSION'S APPROVAL OF:**

ERC Case No. 2024-035 MC

**“IN THE MATTER OF THE APPLICATION FOR AUTHORITY
TO DEVELOP, OWN, AND OPERATE DEDICATED
POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO
CONNECT THE TONGONAN BATTERY ENERGY STORAGE
SYSTEM PROJECT TO THE VISAYAS GRID, WITH MOTION
FOR PROVISIONAL AUTHORITY AND FOR CONFIDENTIAL
TREATMENT OF INFORMATION”**

ENERGY DEVELOPMENT CORPORATION, Applicant

PRESENTATION OUTLINE

PROJECT OVERVIEW

LEGAL BASIS

CONNECTION SCHEME

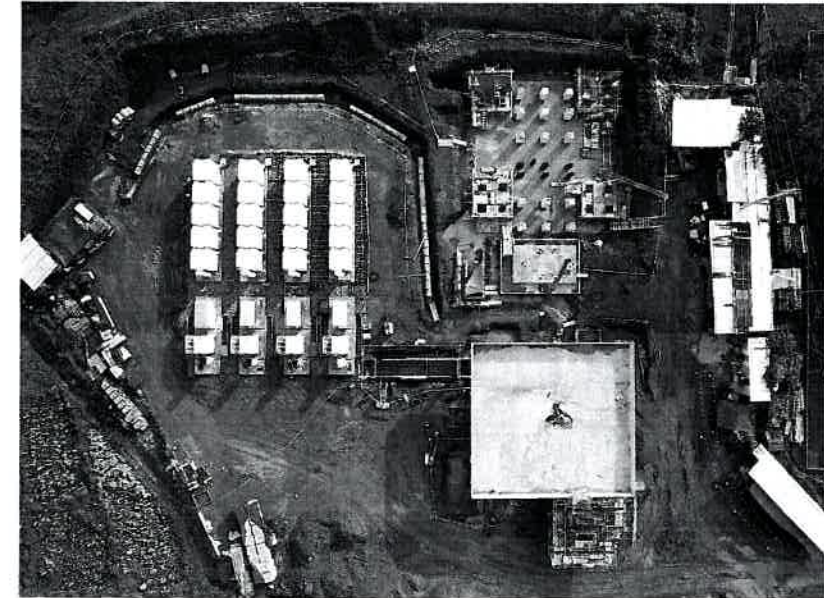
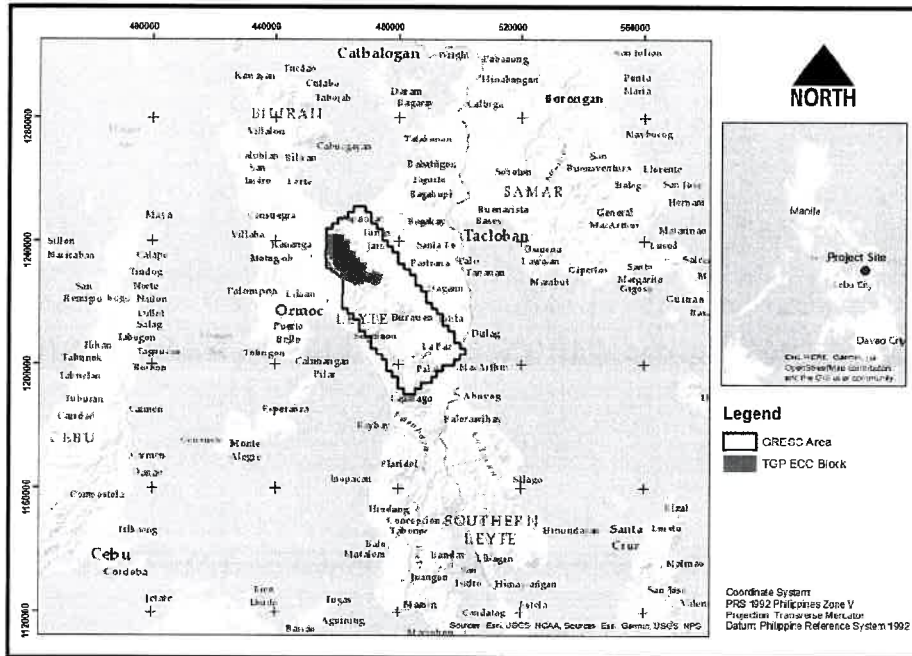
TECHNICAL CAPABILITY

FINANCIAL CAPABILITY

PROJECT SCHEDULE



THE 10MW/ 10MWH TONGONAN ENERGY STORAGE SYSTEM (ESS) IS SITUATED IN KANANGA, LEYTE



Installed Capacity	14.535MW/14.535MWh
Target Commissioning Date	4Q 2024
Power Output Off-takers	NGCP thru ASPA, Reserve Market, and/or WESM

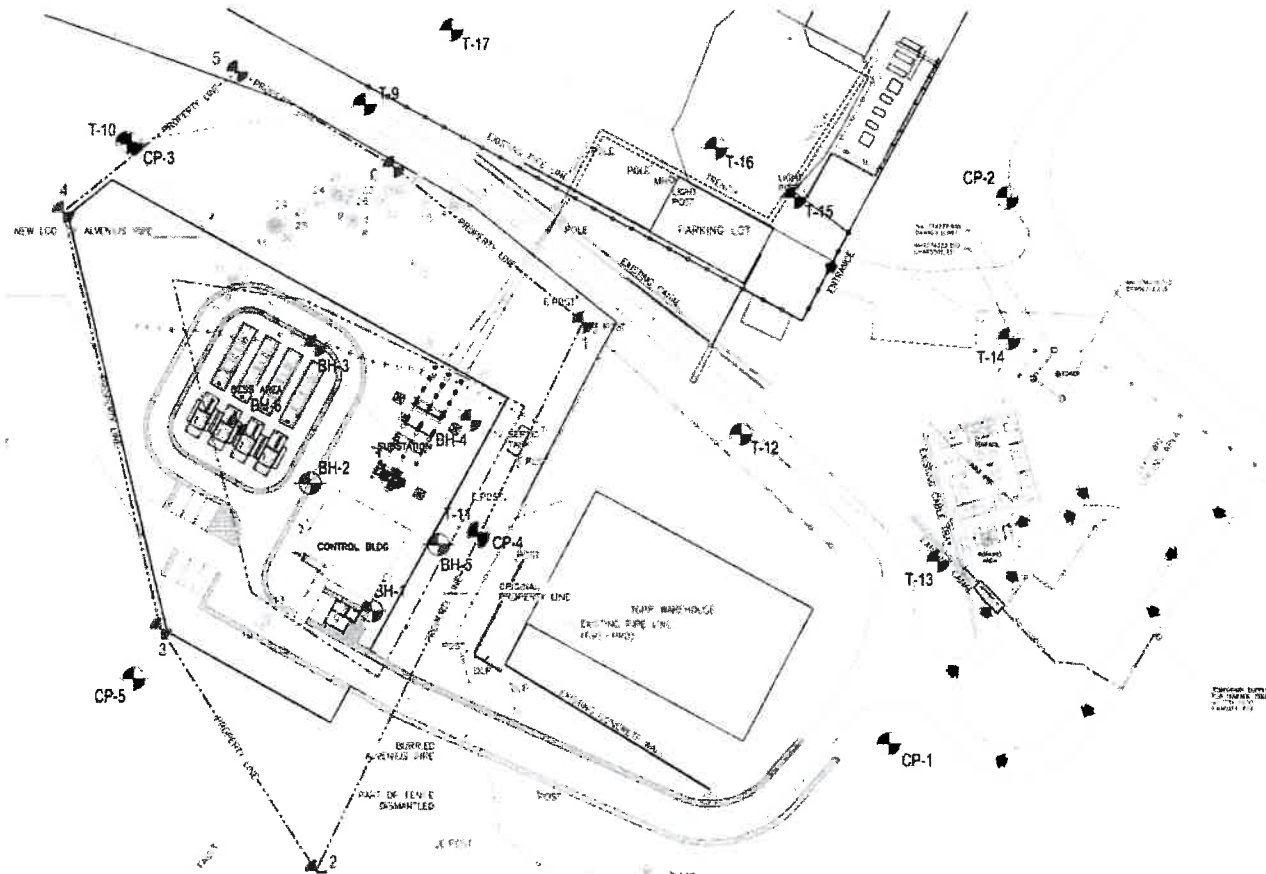
THE TONGONAN ESS IS BEING DEVELOPED WITHIN THE TONGONAN GEOTHERMAL PROJECT COVERED BY GRESC NO. 2009-10-001 THAT WAS AWARDED TO ENERGY DEVELOPMENT CORPORATION (EDC)

THE APPLICATION FOR AUTHORITY IS IN COMPLIANCE WITH THE EPIRA (REPUBLIC ACT 9136)

Section 9 of the EPIRA states that:

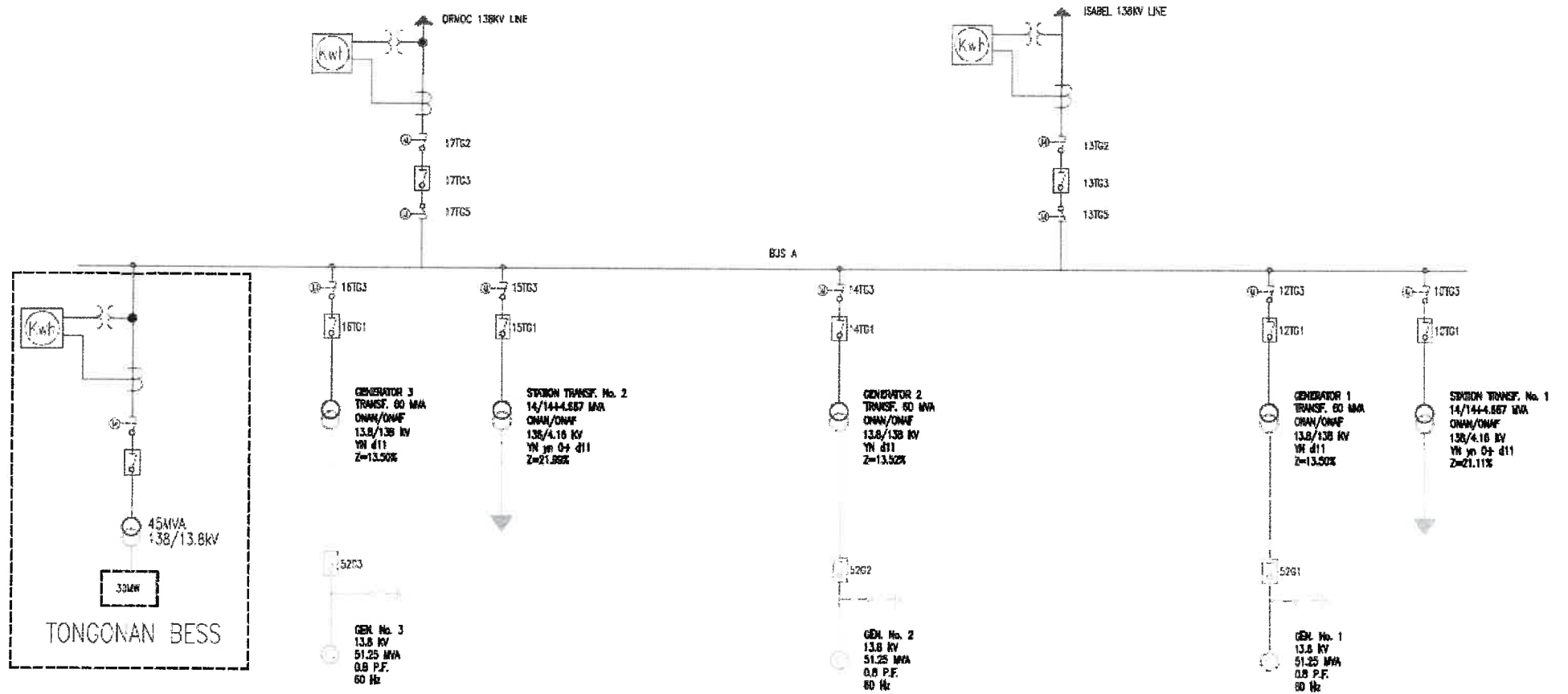
“A generation company may develop and own or operate dedicated point-to-point limited transmission facilities that are consistent with the TDP: *Provided*, That such facilities are required only for the purpose of connecting to the transmission system, and are used solely by the generating facility, subject to prior authorization by the ERC: *Provided, further*, That in the event that such assets are required for competitive purposes, ownership of the same shall be transferred to the TRANSCO at a fair market price: *Provided, finally*, That in the case of disagreement on the fair market price, the ERC shall determine the fair market value of the asset.” (Emphasis supplied.)

THE TONGONAN ESS WILL CONNECT TO THE VISAYAS GRID VIA THE TONGONAN 138KV SUBSTATION



- The Tongonan ESS Facility will have its own switchyard and a 200 meter transmission line to connect said facility to the Tongonan 138kV Substation.
- The existing Bay 2 in the Tongonan Gas Insulated Switchgear will be rehabilitated for the Tongonan ESS to connect.

THE TONGONAN ESS WILL CONNECT TO THE VISAYAS GRID VIA THE TONGONAN 138KV SUBSTATION



**SINGLE LINE DIAGRAM –
 Tongonan ESS**

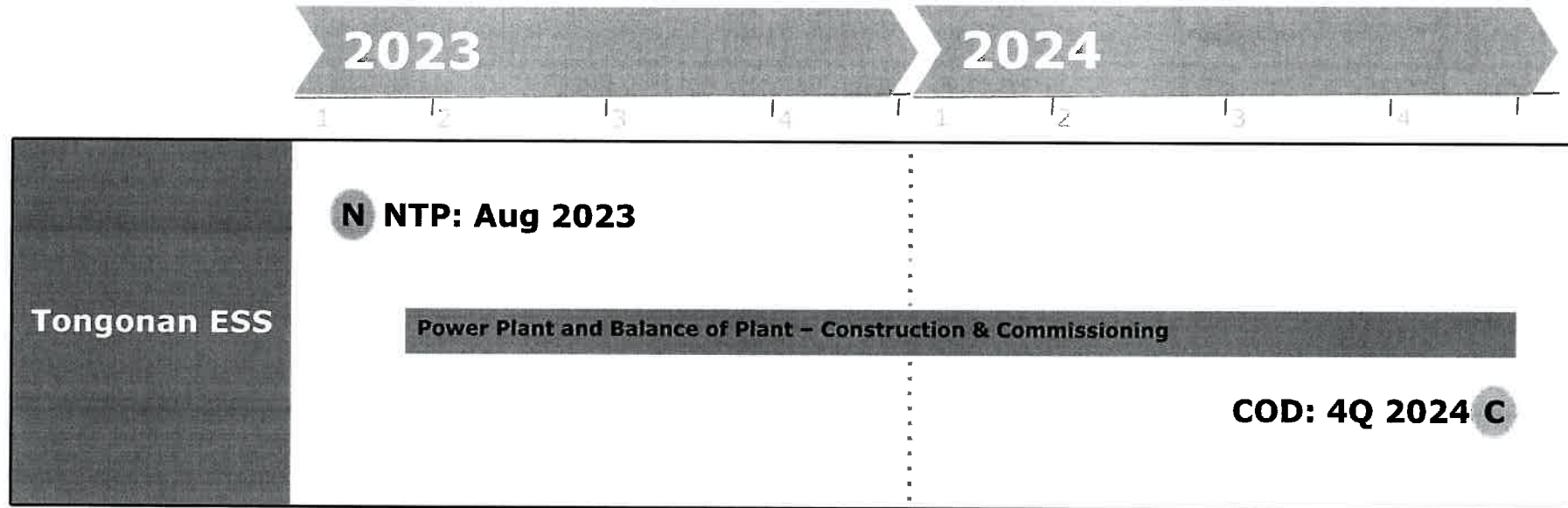
EDC HAS THE TECHNICAL CAPABILITY TO DEVELOP, CONSTRUCT, OPERATE, AND MAINTAIN THE CONNECTION ASSET

- **Since 1996, EDC has been the largest producer of geothermal energy in the Philippines. Its transmission and dispatch personnel have experience in operating the connection assets of the Unified Leyte geothermal power plants and are, therefore, capable of operating and maintaining the Connection Asset.**
- **EDC has guaranteed the use of its experience and resources to provide such advice and technical expertise as may be required for the Tongonan ESS.**
- **The 30MW System Impact Study showing the proposed connection of the Tongonan BESS to the Visayas Grid through the Tongonan 138kV substation was approved by NGCP on 23 December 2023.**
- **The Facilities Study to determine the technical feasibility of the Tongonan ESS was approved by NGCP on 10 June 2024.**

THE TONGONAN ESS CONNECTION ASSET IS FINANCIALLY FEASIBLE

- The estimated construction and development cost of the Connection Asset is at ~PHP 488.57 Million.**
- The construction costs will be funded through a combination of debt and internally generated funds, with financial projections following a target 70% - 30% debt – equity mix.**

THE TONGONAN ESS CONNECTION ASSET IS TARGETED TO BE COMMISSIONED WITHIN 4Q 2024



 - Construction and Testing and Commissioning activities

N Notice to Proceed
C Commercial Ops Date

EDC RESPECTFULLY REQUESTS FOR THE EARLY RESOLUTION OF THE INSTANT APPLICATION

- **EDC prays for the issuance of an order provisionally authorizing EDC to develop, own, and operate dedicated point to point limited transmission facilities for the Tongonan ESS to enable EDC to meet the project schedule and achieve commercial operations by 4Q 2024, in accordance with the Project's Work Program as approved by the Department of Energy.**
- **Having established the financial and technical capability of EDC to develop, own, and operate dedicated point-to-point limited facilities to connect the Tongonan ESS to the Visayas Grid via the Tongonan 138kV substation, the issuance of a Provisional Authority is earnestly requested.**

END OF PRESENTATION