First Gen Renewables GEOTHERMAL

Energy Development Corporation
A First Gen Group Company

Item No.: 16

Date: NOV 17 2026

09 November 2026

HON. LEONARDO M. JAVIER, JR.
Presiding Officer, *Sangguniang Panlalawigan* of Leyte
Leyte Provincial Government Complex
West Bypass Road Palo, Leyte

Sangguniang Panlalawigan
Province of Leyte
RECEIVED
Date: NOV 11 2026
By:

SUBJECT: **Request for a Certificate of Receipt of the attached Joint Application**

Dear Hon. Javier:

In compliance with Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 ("EPIRA"), its Implementing Rules and Regulations ("IRR"), and the Rules of Practice and Procedure of the Energy Regulatory Commission ("ERC"), we are furnishing your Office with a copy of the Joint Application, together with its annexes and accompanying documents, excluding those subject to a Motion for Confidential Treatment of Information, for filing with the ERC, entitled:

> *"In the Matter of the Application for the Approval of the Power Supply Agreement Between Energy Development Corporation (EDC) and Iloilo III Electric Cooperative, Inc. (ILECO III), with Prayer for Provisional Authority or Interim Relief and Motion for Confidential Treatment of Information"*

In this regard, we respectfully request your Office to issue **three (3) original copies** of a *Certification* confirming receipt of the Joint Application, together with its annexes and accompanying documents. In accordance with the prevailing regulations of the ERC, the *Certification* should be signed by the head of your Office or a duly authorized representative.

For your convenience, we have attached a template *Certification* which your Office may use for this purpose.

Thank you very much for your usual cooperation.

Respectfully,

ESTANISLAO M. PIALAGO, JR.
Head, Asset Maintenance and Leyte Site
ENERGY DEVELOPMENT CORPORATION
9th Floor, Rockwell Business Center Tower 3
Ortigas Avenue, Pasig City

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

IN THE MATTER OF THE APPLICATION FOR THE APPROVAL OF THE POWER SUPPLY AGREEMENT BETWEEN ENERGY DEVELOPMENT CORPORATION AND ILOILO III ELECTRIC COOPERATIVE, INC., WITH PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF AND MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

ERC Case No. _____ RC

ENERGY DEVELOPMENT CORPORATION (EDC) AND ILOILO III ELECTRIC COOPERATIVE, INC. (ILECO III),
Applicants.
x----------x

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

Applicants **ENERGY DEVELOPMENT CORPORATION ("EDC")** and **ILOILO III ELECTRIC COOPERATIVE, INC. ("ILECO III")** (each an "Applicant" and collectively, the "Applicants"), through their respective undersigned counsel, respectfully state:

PARTIES

1. Applicant ILECO III is an Electric Cooperative ("EC") duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at Brgy. Preciosa, Sara, Iloilo City, Iloilo.

2. Applicant ILECO III is the holder of a franchise granted by the National Electrification Administration ("NEA") to operate an electric light and power distribution system and provide electric distribution service within the municipalities of Ajuy, Anilao, Balasan, Banate, Barotac Viejo, Batad, Carles, Concepcion, Estancia, Lemery, San Dionisio, San Rafael and Sara, all in the Province of Iloilo (the "Franchise Area").

3. Applicant EDC is a private corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at the 9th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Metro Manila. Applicant EDC owns and operates the Mahanagdong Geothermal Power Plant, with an installed capacity of 229.429 MW (the "Power Plant"), which forms part of the Unified Leyte Geothermal Power Plant complex located in Ormoc City, Province of Leyte. Applicant EDC is duly registered as a Renewable Energy ("RE") Developer authorized to generate electricity from RE sources for supply to distribution utilities, electric cooperatives, and other customers.

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

NATURE OF THE APPLICATION

5. The instant *Joint Application* for the approval of the *Power Supply Agreement* entered into by and between the Applicants dated 09 September 2026 (the "*Subject PSA*") is being submitted to the Honorable Commission for its review and approval pursuant to Sections 25[1] and 45 (b)[2] of Republic Act No. 9136, otherwise known as the *Electric Power Industry Reform Act of 2001* ("*EPIRA*"), the Honorable Commission's Resolution No. 31, Series of 2026 ("ERC 2026 RPP"),[3] and Article VII of the Honorable Commission's *Resolution* No. 7, Series of 2026[4] (the "*ERC 2026 CSP Guidelines*").

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

2 Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC.

3 A Resolution Adopting the 2026 Rules of Practice and Procedure of the Energy Regulatory Commission.

4 Entitled "*Amended 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*".

6. Section 23 of the *EPIRA* requires a distribution utility to supply electricity in the least cost manner to its captive market, subject to collection of retail rate duly approved by the Honorable Commission. In relation thereto, Section 45 (b) of the EPIRA expressly allows distribution utilities to enter into bilateral power supply contracts, subject to the Honorable Commission's review.

7. The *Subject PSA* was procured through a Joint Competitive Selection Process ("Joint CSP") conducted by the NEA through its Special Bids and Awards Committee (the "NEA-SBAC"), in accordance with Article 13.1 of *NEA Memorandum* No. 2023-057 (the "*NEA 2023 CSP Guidelines*"), and consistent with the Department of Energy's ("DOE") *Department Circular* No. DC2023-06-0021, as amended and supplemented by DOE *Department Circular* No. DC2025-10-0022[5] (the "*DOE CSP Policy*"), and the *ERC 2026 CSP Guidelines*.

STATEMENT OF FACTS

Power Situation In ILECO III's Franchise Area

8. For 2026, applicant ILECO III's peak demand is 32.50 MW. Based on its Power Supply Procurement Plan ("PSPP"), applicant ILECO III's peak demand within its franchise area is generally projected to grow at an average rate of 7% annually.

9. Applicant ILECO III currently has a contracted capacity of 21.50 MW, inclusive of the 2MW Emergency Power Supply Agreement ("EPSA"), which shall remain effective only until the implementation of the PSAs resulting from the Joint CSP conducted by the NEA-SBAC. For any excess demand requirement, applicant ILECO III is constrained to purchase the additional supply from the Wholesale Electricity Spot Market ("WESM"). Given the volatility of WESM prices and its potential cost impact on consumers, securing a long-term power supply agreement is essential for applicant ILECO III to fulfill its obligation to provide electricity to its captive market in the least-cost manner.

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[5] Entitled *"Prescribing Policies to Enhance the Procurement of Power Supply by Distribution Utilities for the Captive Market, amending and Supplementing for this purpose Department Circular No. DC2023-06-0021"*.

Competitive Selection Process

10. Article 13.1 of the *NEA 2023 CSP Guidelines*, consistent with Sections 7.2 and 7.4 of the *DOE CSP Policy*, provides that if an EC requests assistance from the NEA or fails to complete the CSP at least one (1) year before the scheduled date in the PSPP, the NEA shall undertake or continue the CSP on their behalf.

11. Based on the latest PSPPs of on-grid ECs connected to the Luzon and Visayas grids, several ECs, including applicant ILECO III, are projected to experience baseload power supply deficits. These projected deficits necessitated the timely conduct of CSPs to ensure the availability of sufficient and reliable power supply for their respective captive markets in the least-cost manner.

12. Applicant ILECO III's latest Supply-Demand Scenario shows a continuing increase in demand and a corresponding power supply deficit over the forecast period.

13. The CSPs required to address the baseload power supply shortfalls of certain on-grid ECs connected to the Luzon and Visayas grids, including applicant ILECO III, were not completed at least one (1) year before the expiration of their existing PSAs or the date when additional power supply would be required to meet their projected demand, as indicated in their respective PSPPs. Accordingly, the NEA undertook the Joint CSP on behalf of the concerned ECs pursuant to the *DOE CSP Policy*.

14. Thus, on 03 February 2026, the NEA issued *Office Order No. 2026-043* of even date, creating the NEA-SBAC, its Secretariat, and the Technical Working Group to conduct the Joint CSP for the procurement of baseload power supply for the aggregation of the on-grid ECs in Luzon and Visayas that had not yet commenced their respective CSPs within one (1) year before the expiration of their current and subsisting PSAs or projected increase in demand based on their latest and posted PSPPs.

15. The Joint CSP was conducted for and on behalf of twenty-nine (29) ECs, consisting of nineteen (19) ECs in Luzon and ten (10) ECs in the Visayas, namely as follows: (collectively, the "Member ECs").

LUZON ELECTRIC COOPERATIVES	
ABRECO	Abra Electric Cooperative
AURELCO	Aurora Electric Cooperative, Inc.
BATELEC II	Batangas II Electric Cooperative, Inc.
CAGELCO I	Cagayan I Electric Cooperative, Inc.
CASURECO II	Camarines Sur II Electric Cooperative, Inc.
CASURECO III	Camarines Sur III Electric Cooperative, Inc.
FLECO	First Laguna Electric Cooperative, Inc.
LUELCO	La Union Electric Cooperative, Inc.
NEECO I	Nueva Ecija I Electric Cooperative, Inc.
NUVELCO	Nueva Vizcaya Electric Cooperative
PANELCO I	Pangasinan I Electric Cooperative
PELCO III	Pampanga III Electric Cooperative, Inc.
QUEZELCO I	Quezon I Electric Cooperative, Inc.
QUEZELCO II	Quezon II Electric Cooperative, Inc.
QUIRELCO	Quirino Electric Cooperative
SAJELCO	San Jose City Electric Cooperative
TARELCO I	Tarlac I Electric Cooperative, Inc.
ZAMECO I	Zambales I Electric Cooperative, Inc.
ZAMECO II	Zambales II Electric Cooperative, Inc.
VISAYAS ELECTRIC COOPERATIVES	
CAPELCO	Capiz Electric Cooperative, Inc.
CEBECO I	Cebu I Electric Cooperative, Inc.
CEBECO II	Cebu II Electric Cooperative, Inc.
GUIMELCO	Guimaras Electric Cooperative
ILECO I	Iloilo I Electric Cooperative, Inc.
ILECO II	Iloilo II Electric Cooperative, Inc.
ILECO III	Iloilo III Electric Cooperative, Inc.
NOCECO	Negros Occidental Electric Cooperative
NORECO I	Negros Oriental I Electric Cooperative, Inc.
NORECO II	Negros Oriental II Electric Cooperative

16. The NEA-SBAC structured the Joint CSP into two (2) Lots: Lot 1 covering the Luzon Member ECs and Lot 2 covering the Visayas Member ECs. Applicant ILECO III, being a Visayas Member EC, was included under Lot 2 of the Joint CSP.

17. On 15 April 2026, the NEA issued the *Certificate of Conformity NEA-RAO-COC-2026-02*, which certified that the respective contract quantities and cooperation periods covered by the Joint CSP were consistent with the latest posted PSPPs of each Member EC. On the same date, or at least five (5) calendar days before the first publication of the Invitation to Bid

with Terms of Reference, the NEA-SBAC informed the DOE, the NEA, and the Honorable Commission of the conduct of the Joint CSP.

18. On 21 and 28 April 2026, the Invitation to Bid with the Terms of Reference was duly published in *The Manila Times* newspaper. The NEA-SBAC and the Member ECs likewise caused the posting of the Invitation to Bid with the Terms of Reference on the DOE CSP e-based portal, the NEA website, and on the Member ECs' official websites or social media pages.

19. On 06 May 2026, copies of the Invitation for CSP Observers were sent to the Philippine Chamber of Commerce and Industry, the Institute of Integrated Electrical Engineers of the Philippines, the Nationwide Association of Consumers, Inc., the DOE, and the Honorable Commission. A general invitation for CSP Observers was likewise posted on the NEA website and the official websites of the Member ECs.

20. On 14 May 2026, the Pre-Bid Conference for the Joint CSP was held at the Honesty, Efficiency and Solidarity Auditorium, 2nd Floor, NEA Building, 57 NIA Road, Government Center, Diliman, Quezon City.

21. The following Bid Bulletins ("BB") were issued by the NEA-SBAC throughout the Joint CSP process:

- Bid Bulletin No. 01, issued on 25 May 2026, announcing the revised schedule of succeeding bidding activities for the Joint CSP;
- Bid Bulletin No. 02, issued on 29 May 2026, providing official responses to questions raised by prospective bidders, and the issuance of Revised Transaction Documents;
- Bid Bulletin No. 03, issued on 17 June 2026, providing official responses to questions and issues raised by prospective bidders regarding the Revised Transaction Documents, and the issuance of Final Transaction Documents;
- Bid Bulletin No. 04, issued on 25 June 2026, providing clarifications and corrections to the Final Bidding Procedures and related transaction documents; and
- Bid Bulletin No. 05, issued on 12 August 2026, announcing the revised schedule for the issuance of the Notice of Award to Winning

Bidders and the signing of the Power Supply Agreements.

22. On 10 July 2026, the submission, opening, and evaluation of bids for the Joint CSP were conducted. For Lot 2, applicant EDC, Malita Power, Inc. ("MPI"), Palm Concepcion Power Corporation ("PCPC"), Therma Visayas, Inc. ("TVI"), Cebu Energy Development Corporation ("CEDC"), and Panay Energy Development Corporation ("PEDC") timely submitted their bids, while FDC Misamis Power Corporation, GN Power Kauswagan, Ltd. Co., Therma South, Inc., and Toledo Power Co. withdrew from the Joint CSP.

23. The bids were evaluated in accordance with the parameters under the Final Transaction Documents issued by the NEA-SBAC. For Lot 2, MPI, PCPC, TVI, and applicant EDC passed the preliminary evaluation and submitted the Lowest Calculated Bids, with MPI, PCPC, and applicant EDC each covering twenty percent (20%), and TVI forty percent (40%), of the Aggregated Contract Capacity.

24. Accordingly, MPI, PCPC, TVI, and applicant EDC for Lot 2 proceeded to post-qualification. On 17 August 2026, the NEA-SBAC issued *Resolution* No. 13, Series of 2026 (*"Resolution No. 13"*) declaring MPI, PCPC, TVI, and applicant EDC as the Lowest Calculated and Responsive Bidders ("LCRB") for Lot 2, with applicant EDC being allocated twenty percent (20%) of the Aggregated Contract Capacity of the Lot 2 ECs. It likewise recommended the issuance of the Notice of Award to, among others, applicant EDC.

25. Applicant EDC received the *Notice of Award* dated 18 August 2026 declaring it as the winning bidder for twenty percent (20%) of the Aggregated Contract Capacity under Lot 2 of the Joint CSP.

26. From 24 August 2026 to 04 September 2026, the duly authorized representatives of the Member ECs negotiated and finalized the PSAs with the winning bidders, including applicant EDC.

27. On 08 September 2026, the Notices to Execute the Agreement were issued to and received by the Visayas Member ECs, directing them to execute their respective PSAs with applicant EDC. On 09 September 2026, the Visayas Member ECs, including applicant ILECO III, executed their respective PSAs with applicant EDC.

28. Through the NEA-conducted Joint CSP, the Member ECs, including applicant ILECO III, were able to pursue the procurement of the required power supply, consistent with the projected supply requirements and timelines set forth in their respective PSPPs.

29. Notably, the *Subject PSA* resulted from the Joint CSP conducted by the NEA and was thereafter subjected to a separate and independent review by the NEA. Accordingly, the *Subject PSA*, including its terms and conditions, may be considered to have been reviewed for consistency with the applicable policies, rules, and requirements of the DOE, the NEA, and the Honorable Commission. Hence, the instant *Joint Application*.

SALIENT TERMS OF THE SUBJECT PSA

30. The *Subject PSA* contains the following salient features:

30.1. **Contract Term.** The *Subject PSA* shall take effect immediately from the Effective Date, and from such date shall remain in force and effect for fifteen (15) years from Delivery Date unless sooner terminated in accordance with the *Subject PSA* and upon approval by the Honorable Commission.

30.2. **Delivery Date.** Applicant EDC shall commence delivery of the Contract Capacity to applicant ILECO III on Delivery Date. The Delivery Date shall be the later of either: (a) 26 December 2026 or (b) the next immediate 26th day of the month following the Honorable Commission's issuance of a Provisional Authority or Interim Relief to implement the *Subject PSA*, as applicable, or Final Authority to implement the same, if neither Provisional Authority nor Interim Relief was issued.

30.3. **Contract Capacity.** Beginning on the Delivery Date and until the termination or expiration of the *Subject PSA*, applicant EDC shall supply and deliver the Contract Capacity to applicant ILECO III at the Delivery Point, and applicant ILECO III shall purchase and pay applicant EDC the Contract Capacity as provided in Table I below:

Table I
(in MW)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2027	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2028	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2029	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2030	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2031	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2032	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2033	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2034	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2035	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2036	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2037	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2038	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2039	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2040	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
2041	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6

The Contract Term shall be reckoned from Delivery Date (i.e., commencement of supply) following the prevailing regulations of the Honorable Commission.

The Contract Capacity for each Billing Period succeeding the last period in Table 1 shall match the Contract Capacity of the corresponding month in 2041. This provision shall apply until the expiration or termination of this Agreement. For example, the Contract Capacity for January 2042 shall be the same as that of January 2041, and so on for each corresponding month thereafter.

Applicant ILECO III shall be allowed to nominate the entire Contract Capacity but is only obliged to utilize the Contract Capacity at the 65% Monthly Minimum Capacity Utilization Factor ("CUF") for every Billing Period.

Notwithstanding the 65% Monthly Minimum CUF, applicant EDC must make available for dispatch the Contract Capacity.

Applicant ILECO III's Minimum Hourly Nomination shall be 35% of the Contract Capacity for the Billing Period except in cases of Force Majeure Event.

30.4. **Scheduled** and **Unscheduled Outage.** Applicant EDC offered a zero (0) Outage Allowance, as set forth in Schedule 6 of the *Subject PSA*.

30.5. **Replacement Power.** The procurement of any Replacement Power shall be the responsibility of applicant EDC and it shall charge applicant ILECO III for the Replacement Power pursuant to Section 10.3 of the *Subject PSA.*

30.6. **Payment of Fees.** Commencing on Delivery Date and throughout the entire Term, applicant ILECO III shall pay to applicant EDC each Billing Period an amount equal to the Monthly Payment in accordance with Schedule 7 (Monthly Payment, Indexation and Adjustment) of the *Subject PSA*.

There shall be no offsetting of payment between applicant ILECO III and applicant EDC unless allowed by the *Subject PSA*.

There shall be no withholding of disputed amounts, except in cases of inadvertent errors in the amount or inadvertent errors in calculating the applicable rate or as otherwise allowed under the *Subject PSA*.

If a Seller Invoice is not disputed by applicant ILECO III within sixty (60) Days of receipt, it is deemed to be accepted, final, and binding on Applicants.

30.7. **Billing.** Within ten (10) Days from the end of each Billing Period commencing on Delivery Date, applicant EDC shall deliver to applicant ILECO III the Seller Invoice setting forth the amount that is due to applicant EDC for the preceding Billing Period.

30.8. **Tariff Structure and Rates:** The unbundled tariff structure and rates as well as the formulas to compute the Total Generation Charge per billing period are provided in Schedule 7 of the *Subject PSA*. The applicable rates, as provided in Schedule 7 of the *Subject PSA,* are set forth below:

I. Basic Energy Charge

1. Basic Energy Charge shall be equal to:

Basic Energy Charge = CRR_{CUF} + $FOMR_{CUF}$ + VOMR

CUF	*CRR_{CUF}*, PhP/kWh*	*$FOMR_{CUF}$*, PhP/kWh*	*VOMR*, PhP/kWh*
100%	**1.6500**	**1.5075**	**1.7888**
99%	1.6667	1.5227	1.7888
98%	1.6837	1.5383	1.7888
97%	1.7010	1.5541	1.7888
96%	1.7188	1.5703	1.7888
95%	1.7368	1.5868	1.7888
94%	1.7553	1.6037	1.7888
93%	1.7742	1.6210	1.7888
92%	1.7935	1.6386	1.7888
91%	1.8132	1.6566	1.7888
90%	1.8333	1.6750	1.7888
89%	1.8539	1.6938	1.7888
88%	1.8750	1.7131	1.7888
87%	1.8966	1.7328	1.7888
86%	1.9186	1.7529	1.7888
85%	1.9412	1.7735	1.7888
84%	1.9643	1.7946	1.7888
83%	1.9880	1.8163	1.7888
82%	2.0122	1.8384	1.7888
81%	2.0370	1.8611	1.7888
80%	2.0625	1.8844	1.7888
79%	2.0886	1.9082	1.7888
78%	2.1154	1.9327	1.7888
77%	2.1429	1.9578	1.7888
76%	2.1711	1.9836	1.7888
75%	2.2000	2.0100	1.7888
74%	2.2297	2.0372	1.7888
73%	2.2603	2.0651	1.7888
72%	2.2917	2.0938	1.7888
71%	2.3239	2.1232	1.7888
70%	2.3571	2.1536	1.7888
69%	2.3913	2.1848	1.7888
68%	2.4265	2.2169	1.7888
67%	2.4627	2.2500	1.7888
66%	2.5000	2.2841	1.7888
65%	2.5385	2.3192	1.7888

* CRF_{CUF}, $FOMF_{CUF}$, and $VOMF$ shall be subject to the following rate adjustment

II. Total Generation Charge

1. The Total Generation Charge (TGC) shall be the Monthly Payment unbundled into components as follows:

$$TGC_t = CRF_{CUFt} + FOMF_{CUFt} + VOMF_t$$

2. **Capital Recovery Fee ("CRF")**: The CRF_{CUF} shall be calculated as the product of the Capital Recovery Rate ("CRR_{CUF}"), in PhP/kWh, and the energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher.

The formula to calculate CRF_{CUF} shall be:

$$CRF_{CUFt} = CRR_{CUFt} \times max\ (AE_t, AED_t)$$

$$CRR_{CUFt} = \frac{CRR_{100\%CUF}}{CUF_t}$$

Where:

CRF_{CUFt}	Corresponding CRF_{CUF} to calculate the Total Generation Charge, expressed in Php, for a Billing Period
CRR_{CUFt}	Component to calculate CRF_{CUF}, expressed in Php/kWh
AE_t	Associated Energy, in kWh, based on the Minimum CUF for a Billing Period
AED_t	Actual Energy Delivered, in kWh, from the Facility during the Billing Period
$CRR_{100\%CUF}$	Corresponding CRR_{CUF} at 100% CUF as provided above.
CUF_t	Actual CUF for a Billing Period.
t	Billing Period

3. **Fixed Operation and Maintenance Fee ("FOMF")**: The $FOMF_{CUF}$ shall be calculated as the product of the Fixed Operation and Maintenance Rate ("$FOMR_{CUF}$"), in PhP/kWh, and the energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher.

The formula to calculate $FOMF_{CUF}$ shall be:

$$FOMF_{CUFt} = FOMR_{CUFt} \times max(AE_t, AED_t)$$

$$FOMR_{CUFt} = \frac{FOMR_{100\%CUFt}}{CUF_t} \times \frac{PHCPI_{n-1}}{PHCPI_0}$$

Where:

$FOMF_{CUFt}$	Corresponding $FOMF_{CUF}$ to calculate the Total Generation Charge, expressed in Php for a Billing Period
$FOMR_{CUFt}$	Component to calculate the $FOMF_{CUFt}$, as adjusted in accordance with the formula provided, expressed in PhP/kWh.
AE_t	Associated Energy, in kWh, based on the Minimum CUF for a Billing Period
AED_t	Actual Energy Delivered, in kWh, from the Facility during the Billing Period
$FOMR_{100\%CUFt}$	Corresponding $FOMR_{CUFt}$ at 100% CUF as provided above.
CUF_t	Actual CUF for a Billing Period.
$PHCPI_{n-1}$	PH CPI for All Income Households by Commodity Group (2018=100), for the month preceding the Billing Period, from the Philippine Statistics Authority
$PHCPI_0$	Philippine Consumer Price Index (PHCPI) for All Income Households by Commodity Group (2018=100), May 2026, equivalent to **135.8000**, from the Philippine Statistics Authority
t	Billing Period

4. **Capacity Utilization Factor and Associated Energy**: Should applicant ILECO III fail to dispatch the Seller at the Monthly Minimum CUF for a Billing Period, and applicant EDC has made the same available for dispatch, applicant ILECO III shall pay applicant EDC the CRR_{CUF} and $FOMR_{CUF}$ for the equivalent associated energy at the 65% CUF level for the said Billing Period.

Notwithstanding the 65% Monthly Minimum CUF, the Seller must make available for dispatch the monthly Contract Capacity, subject to allowable outages.

The CUF shall be calculated in accordance with the formula below:

$$CUF_t = \frac{Q}{CC \times (H_t - H_O - H_{FM})}$$

Where:

CUF_t	Capacity Utilization Factor
Q	Energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher
CC	Contract Capacity, stated in kW, for the Billing Period as provided in Schedule 2 of the *Subject PSA*
H_t	Total number of hours in the Billing Period
H_O	Zero (0) for each Billing Period, as the Seller has no Outage Allowance
H_{FM}	The Equivalent Hours of Force Majeure in the Billing Period

t	Billing Period

The formula to calculate Q and AE for any Billing Period shall be:

$$Q_t = \max(AE_t, TED_t)$$

$$AE_t = 65\% \times CC \times (H_t - H_O - H_{FM})$$

Where:

Q	As previously defined
AE	As previously defined
TED	Total Energy Delivered, which is the Actual Energy Delivered from the Facility and replacement power energy, during the Billing Period in kWh
CC	As previously defined
H_t	Total number of hours in the Billing Period
H_O	Zero (0) for each Billing Period, as the Seller has no Outage Allowance
H_{FM}	The Equivalent Hours of Force Majeure in the Billing Period
t	Billing Period

The formula to calculate the *HFM* shall be:

$$H_{FM} = \sum_{i=1}^{y} \left(1 - \frac{Seller\ Actual\ BCQ\ Declared, due\ to\ force\ majeure}{Buyer\ Day\ Ahead\ Nomination}\right)$$

Where:

y	Total number of Hours in a Billing Period
Seller Actual BCQ Declared, due to force majeure	The actual reconciled quantity of BCQ declared by the Seller to the Buyer for the relevant hour i, expressed in kW, which was affected by or reduced due to an event of force majeure for either the Buyer or the Seller, in accordance with the BCQ Nomination Protocol under the *Subject PSA*.
Buyer Day-Ahead Nomination	The quantity of BCQ nominated by the Buyer for delivery for the relevant hour i in the Day-Ahead Nomination, expressed in kW, submitted in accordance with the BCQ Nomination Protocol under the *Subject PSA*.

5. **Variable Operation and Maintenance Fee ("VOMF"):** The VOMF shall be calculated as the product of the Variable Operation and Maintenance Rate ("VOMR"), in PhP/kWh, and the actual energy delivered for the Billing Period.

The VOMF shall be strictly based on actual energy delivered for the Billing Period. The formula to calculate VOMF shall be:

$$VOMF_t = VOMR_t \times AED_t$$

$$VOMRt = VOMR_{Base} \times \frac{PHCPI_{n-1}}{PHCPI_0}$$

Where:

$VOMF_t$	Corresponding VOMF to calculate the Total Generation Charge, expressed in Php for a Billing Period
$VOMR_t$	Component to calculate the VOMF*t*, as adjusted in accordance with the formula provided, expressed in PhP/kWh.
AE_t	Associated Energy, in kWh, based on the Minimum CUF for a Billing Period
AED_t	Actual Energy Delivered, in kWh, from the Facility during the Billing Period
$PHCPI_{n-1}$	PH CPI for All Income Households by Commodity Group (2018=100), for the month preceding the Billing Period, from the Philippine Statistics Authority
$PHCPI_0$	Philippine Consumer Price Index (PHCPI) for All Income Households by Commodity Group (2018=100), May 2026, equivalent to **135.8000**, from the Philippine Statistics Authority

Adjustment for Rebased Consumer Price Index. In the event the Philippine Statistics Authority (PSA) publishes or adopts a new base year for the Philippine Consumer Price Index (PHCPI) for All Income Households by Commodity Group, the Seller shall immediately utilize the monthly PHCPI values (PHCPIn-1) and the corresponding base index value (PHCPIO) under the newly rebased series in the computation of the Total Generation Charge, including all applicable components thereof, starting in the Billing Period immediately following the adoption or publication of such new base year.

Value Added Tax ("VAT") and Other Charges: Except for VAT, which shall be a pass-through component of the price, all other taxes and government dues, the WESM market fees, and ER 1-94 (Benefits to Host Community) shall be to the account of the Seller.

31. **Estimated Rate Impact**. Below is the calculated impact of the implementation of the *Subject PSA* on applicant ILECO III's overall generation rate, with and without the additional supply from applicant EDC, as follows:

WITHOUT EDC				
Power Supplier	**kWh Purchased**	**Amount (PhP)**	**Percent Share**	**Average Rate (PhP/ kWh)**
Panay Energy Development Corp. (PEDC) - Unit 1 & 2	1,135,770.36	10,286,050.30	7%	9.0565
Green Core Geothermal, Inc. (GCGI)	3,960,000.00	25,848,900.00	23%	6.5275
Panay Energy Development Corp. (PEDC) - Unit 3	1,793,873.13	12,073,242.72	11%	6.7303
GNPower Dinginin Ltd Co. (GNPD)	1,210,076.31	6,773,786.22	7%	5.5978
Sual Power Inc. (SPI)	4,384,240.00	26,786,845.92	26%	6.1098
Green Core Geothermal Inc. (GCGI) - EPSA	96,000.00	626,640.00	1%	6.5275
NET-METERING / Distributed Energy Resources (DER)	26,588.40	223,193.67	0%	8.3944
WESM	4,443,240.00	77,872,840.39	26%	17.5261
TOTAL	**17,049,788.20**	**160,491,499.22**	**100%**	**9.4131**

WITH EDC				
Power Supplier	**kWh Purchased**	**Amount (PhP)**	**Percent Share**	**Average Rate (PhP/ kWh)**
Panay Energy Development Corp. (PEDC) - Unit 1 & 2	1,135,770.36	10,286,050.30	7%	9.0565
Green Core Geothermal, Inc. (GCGI)	3,960,000.00	25,848,900.00	23%	6.5275
Panay Energy Development Corp. (PEDC) - Unit 3	1,793,873.13	12,073,242.72	11%	6.7303
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Sual Power Inc. (SPI)	4,384,240.00	26,786,845.92	26%	6.1098
Green Core Geothermal Inc. (GCGI) - EPSA	96,000.00	626,640.00	1%	6.5275
NET-METERING / Distributed Energy Resources (DER)	26,588.40	223,193.67	0%	8.3944
Energy Development Corporation (EDC)	432,000.00	2,565,561.60	3%	5.9388
WESM	4,011,240.00	70,301,393.36	24%	17.5261
TOTAL	**17,049,788.20**	**155,485,613.79**	**100%**	**9.1195**
		Decrease in PhP/ kWh	**-**	**0.2936**

32. As shown in the rate impact analysis, the implementation of the *Subject PSA* is expected to benefit applicant ILECO III and its consumers through an estimated **reduction** in the blended generation rate at **PhP 0.2936/kWh**. Accordingly, the *Subject PSA* will help ensure that applicant ILECO III's end-users are provided with a continuous and reliable supply of electricity at affordable rates.

33. In addition to the rate impact analysis, Applicants emphasize that the Joint CSP was conducted pursuant to the applicable regulatory requirements to promote transparency and competition in the procurement of power supply and to ensure least-cost outcomes for consumers.

34. In *Alyansa Para sa Bagong Pilipinas, Inc. v. Energy Regulatory Commission*[6] (the "***Alyansa Case***"), the Supreme Court held that competitive public bidding is the most efficient, transparent, and effective guarantee that there will be no price gouging by distribution utilities.

35. The Supreme Court in the ***Alyansa Case*** also held that the purpose of the CSP is to ensure transparency and competition in the procurement of power supply by distribution utilities so as to provide the least-cost electricity to the consuming public, *to wit*:

> "The 2015 DOE Circular recognized that under the EPIRA, the DOE has the mandate to 'formulate such rules and regulations as may be necessary to implement the objective of

[6] G.R. No. 227670, May 3, 2019.

the EPIRA,' where the State policy is to '[p]rotect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power.' The 2015 DOE Circular reiterated the EPIRA's mandate that 'all Distribution Utilities (DUs) shall have the obligation to supply electricity in the least-cost manner to their Captive Market, subject to the collection of retail rate duly approved by the [ERC].'

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

> Section 1. General Principles. Consistent with its mandate, the DOE recognizes that Competitive Selection Process (CSP) in the procurement of PSAs by the DUs ensures security and certainty of electricity prices of electric power to end-users in the long-term. Towards this end, all CSPs undertaken by the DUs shall be guided by the following principles:
>
> > (a) Increase the transparency needed in the procurement process to reduce risks;
> >
> > (b) Promote and instill competition in the procurement and supply of electric power to all end-users;
> >
> > (c) Ascertain least-cost outcomes that are unlikely to be challenged in the future as the political and institutional scenarios should change; and
> >
> > (d) Protect the interest of the general public. (Boldfacing added)
>
> In sum, the raison d'etre of CSP is to ensure transparency and competition in the procurement of power supply by DUs so as to provide the least-cost electricity to the consuming public."[7]

[7] Underscoring supplied.

36. Considering that the *Subject PSA* was executed pursuant to the Joint CSP facilitated by the NEA-SBAC, and consistent with prevailing rules on CSP and the ***Alyansa Case***, the rates in the PSA and the other provisions contained therein ensure the provision of reliable, secure, and quality supply of power in the least-cost manner to applicant ILECO III and its customers. **Thus, the rates in the *Subject PSA* should be implemented, as is, based on the *Subject PSA* itself.**

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

Description of Document	Annex
The *Subject PSA*	**1**
EDC's *Amended Articles of Incorporation*	**2**
EDC's *Amended By-Laws*	**2A**
EDC's *Amended General Information Sheet for 2026*	**2B**
ILECO III's *Certificate of Registration*	**2C**
ILECO III's *Certificate of Franchise*	**2D**
ILECO III's *Articles of Incorporation*	**2E**
ILECO III's *Constitution and By Laws*	**2F**
ILECO III's *Supply-Demand Scenario, Existing Suppliers, Contract Utilization, and Average Daily Load Curves*	**3**
ILECO III's 2025 *Distribution Development Plan*	**3A**
ILECO III's 2025 *Power Supply Procurement Plan*	**3B**
Matrix Comparing the Terms of Reference Requirements	**4**
EDC's *Bid Form (in MS Excel and Portable Document Formats)**	**5**
EDC's *Financial Model (in MS Excel Format)**	**5A**
*Write-up on EDC's Generation and Power Rate**	**5A-1**
Sample Bill*	**5B**
ILECO III's *Rate Impact Analysis (in MS Excel and Portable Document Formats)*	**5C**
EDC's *Provisional Authority to Operate*	**6**
EDC's *Certification of WESM Registration*	**7**
ILECO III's *Certification of WESM Registration*	**7A**
EDC's latest *Audited Financial Statement*	**8**
EDC's *Verified Certification showing list of Board of Directors*	**9**
ILECO III's Verified Certification showing list of Board of Directors and Board Members	**9A**
Shareholder's Agreement**	**10**
ILECO III's *Estimation of Potential Load Reduction*	**11**

Description of Document	Annex
EDC's *Certificate of Registration issued by the Board of Investments*	**12**
EDC's *Environmental Compliance Certificate issued by the Department of Environment and Natural Resources - Environmental Management Bureau*	**13**
EDC's *Amended Certificate of Endorsement* from the DOE	**14**
EDC's *Certification of Confirmation of Commerciality from the DOE* *Geothermal Renewable Energy Service Contract No. 2009-10-001* and its Amendment**	**15** **15A and 15B**
Distribution Wheeling Service Agreement**	**16**
Water Permit**	**17**
Letter of Extension with attached Transmission Service Agreement and Metering Service Agreement	**18**
Related Agreements**	**19**
Fuel Contract and Procurement Plan**	**20**
Explanation on Fuel Procurement Process**	**21**
ILECO III's Board Resolution	**D**
EDC Special Power of Attorney	**D-1**
EDC's Secretary's Certificate	**E**
NEA-SBAC CSP Report	**H**
Proof of NEA-SBAC Establishment	**I to I-2**
ILECO III Board Resolution No. 24, Series of 2026	
ILECO III Board Resolution No. 25, Series of 2026	
CSP Observers	**J to J-1**
Proof of Posting of Invitation to CSP Observers on ILECO III's Website	
Invitation to Bid	**K**
Certificate of Conformity issued by the NEA	**L**
Proof of Publication of the Invitation to Bid	**M to M-2**
Proof of Posting of the Invitation to Bid on NEA's Website	**N to N-1**
Proof of Posting of ITB on ILECO III's Website	**N-2**
Bidding Procedures	**O**
Terms of Reference	**P**
Pre-bid Conference Report and Bid Bulletins	**Q to Q-5**
Eligibility Requirements	**R and Series**
Submission of Bids*	**S and Series**
Evaluation of Bids	**T and Series**
Award of Contract	**U and Series**
Execution of Contract	**V and Series**
Protest Mechanism under the Bidding Procedures	**W**

Description of Document	Annex
Affidavit in Support of the Prayer for Provisional Authority or Interim Relief	**X**

** Subject of the Motion for Confidential Treatment of Information*
*** Subject of applicant EDC's Affidavit of Non-Applicability of Documentary Requirement*

PRAYER FOR PROVISIONAL AUTHORITY OR INTERIM RELIEF

38. Rule 16 of the *ERC 2026 RPP* provides that the Honorable Commission is authorized to issue provisional authority or interim relief prior to a final decision, provided the facts and circumstances alleged warrant such remedy.

39. Further, Section 28 of the *ERC 2026 CSP Guidelines* provides that, for a PSA resulting from a CSP conducted in accordance with the said *Guidelines*, the Honorable Commission may grant provisional authority or interim relief when warranted under the circumstances.

40. Applicants hereby replead the foregoing allegations as may be applicable to support the prayer for the issuance of a provisional authority or interim relief, and state that:

40.1. The provisional implementation of the *Subject PSA* is necessary to help ensure the availability of sufficient and reliable power supply to meet the existing and projected electricity requirements of applicant ILECO III.

40.2. As discussed above, applicant ILECO III's latest supply and demand projections indicate a continuing requirement for additional baseload power supply. The subject PSA was procured through the Joint CSP conducted by the NEA precisely to timely address the projected power supply requirements of applicant ILECO III and the other Member ECs.

40.3. Any delay in the implementation of the *Subject PSA* would delay the availability of the contracted power supply intended to address applicant ILECO III's projected requirements and may require applicant ILECO III to source the contracted capacity under the subject PSA from the WESM, thereby increasing its consumers' exposure to the volatility of the WESM prices, or other available sources in the interim.

40.4. Moreover, as shown in the rate impact analysis discussed above, the implementation of the *Subject PSA* is projected to reduce applicant ILECO III's blended generation rate, thereby providing an additional basis for its early implementation for the benefit of applicant ILECO III.

40.5. The issuance of provisional authority or interim relief would therefore serve the interest of applicant ILECO III and its consumers by helping ensure the timely availability of reliable and sufficient power supply in the least cost manner while the instant *Joint Application* is being evaluated by the Honorable Commission.

40.6. In view of the foregoing, Applicants respectfully pray that the Honorable Commission issue a Provisional Authority or Interim Relief authorizing the implementation of the subject PSA pending final resolution of the instant *Joint Application*.

41. To support the prayer for Provisional Authority or Interim Relief, the Affidavit of Atty. James G. Balsomo II, applicant ILECO III's General Manager, is attached to the *Joint Application*.

ALLEGATIONS IN SUPPORT OF THE MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

42. Section 1, Rule 5 of the *ERC 2026 RPP* provides that a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential. Pursuant to this, applicant EDC prays that the information contained in the documents enumerated below be treated as *CONFIDENTIAL* and that the same be continuously protected from public disclosure, except to the officers and staff of the Honorable Commission (collectively referred to as the "Confidential Documents"):

Description of Document	Annex
EDC's *Bid Form (in MS Excel and Portable Document Formats)*	**5**
EDC's *Financial Model (in MS Excel Format)*	**5A**

Write-up on EDC's Generation and Power Rate	**5A-1**
Sample Bill	**5B**
Geothermal Renewable Energy Service Contract No. 2009-10-001 and its Amendment	**15A and 15B**
Financial Bid Forms submitted by Bidders for Lot 2	**S-6 to S-6C**

43. In the case of ***Air Philippines Corporation vs. Pennswell, Inc.***,[8] the Supreme Court defined "trade secrets" and explained that:

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

44. Moreover, the Honorable Commission categorically acknowledged in its *Decision* in ERC Case No. 2015-111 RC[9] 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**

---

[8] 564 Phil. 774 (2007), G.R. No. 172835.

[9] 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)."*

industry w(h)ere prices is[sic] a major consideration in selecting one's supplier, it is apparent that the assumptions used in arriving at one's proposed tariff is considered a competitive leverage by one player against its competitors.

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

45. The *Confidential Documents* contain financial models, computation and calculation for rate determination and cost components. Hence, applicant EDC has actual and valuable proprietary interest to protect such information and data, which fall within the bounds of "trade secrets" that are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission. The Financial Bid Forms submitted by the bidders for Lot 2 likewise contain commercially sensitive pricing information and bid structures, the disclosure of which may prejudice the bidders' competitive interests.

45.1. The foregoing annexes contain non-public and proprietary information and data relating to applicant EDC's investments, business operations, and financial calculations. Applicant EDC determines, among others, its competitive rates and financial model based on such information and calculations. Accordingly, the methodologies and underlying data are proprietary and confidential in nature and are not generally available to the public. Applicant EDC's competitiveness may be seriously prejudiced by the unauthorized disclosure of such information and data.

45.2. Moreover, the interest of applicant ILECO III's consumers is sufficiently protected by the review and evaluation of the rates under the *Subject PSA* by the Honorable Commission, without the need to disclose the contents of the *Confidential Documents*.

46. Further, the confidential treatment of the *Confidential Documents* is consistent with the Honorable Commission's *Updated Matrix of Confidential and Non-Confidential Document and Information* (as of 16 October 2024) (the "*Matrix*"). Under the *Matrix*, financial models, computations for rate determination, and cost components are recognized as confidential by reason of their proprietary value and nature as trade secrets. Moreover, the *Confidential Documents* include contractual arrangements relating to applicant EDC's geothermal resource development

and operations, which may contain commercially sensitive and proprietary information. Accordingly, insofar as the *Confidential Documents* contain such proprietary information, financial assumptions, pricing methodologies, cost components, and commercially sensitive contractual provisions, applicant EDC respectfully submits that the same warrant confidential treatment consistent with the *Matrix*.

47. In view of the foregoing and pursuant to Rule 5 of the *ERC 2026 RPP*, applicant EDC respectfully requests that the *Confidential Documents* 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. Applicants respectfully request that such confidential treatment remain effective for the duration of the Subject PSA, or until otherwise ordered by the Honorable Commission.

48. Applicant EDC hereby submits **Annexes "5", "5A", "5A-1", "5B", "15A" and "15B", and "S-6" to "S-6C"** in password-protected electronic copies, compiled in a separate folder clearly marked "Confidential Documents," together with a file marked "Confidential-Password" containing the password necessary to access the confidential documents. If required by the Honorable Commission, applicant EDC shall likewise submit one (1) physical copy of each confidential document in a sealed envelope marked "Confidential."

PRAYER

WHEREFORE, premises considered, Applicants **ENERGY DEVELOPMENT CORPORATION ("EDC")** and **ILOILO III ELECTRIC COOPERATIVE, INC. ("ILECO III")** respectfully pray that the Honorable Commission:

1. **ISSUE AN ORDER** declaring the *Confidential Documents* as confidential information and directing that the same be treated with confidentiality and protected from public disclosure;

2. **ISSUE** the corresponding **PROTECTIVE ORDER** covering the *Confidential Documents*, in accordance with Section 2, Rule 5 of the ERC 2026 Rules of Practice and Procedure;

3. Pending final resolution of the instant Joint Application, **GRANT PROVISIONAL AUTHORITY** or **INTERIM RELIEF** authorizing the immediate implementation of the *Subject PSA*, including the rates, fees, charges, and tariff adjustment mechanisms provided therein,

and authorizing applicant ILECO III to charge and collect the same from its customers reckoned from the commencement of supply by applicant EDC under the *Subject PSA*; and

4. After due notice and hearing, **ISSUE A DECISION** approving the instant Joint Application and the *Subject PSA*, including the rates, fees, charges, and tariff adjustment mechanisms provided therein, and authorizing applicant ILECO III to charge and collect the same from its customers reckoned from the commencement of supply by applicant EDC under the *Subject PSA*.

Other reliefs just and reasonable are likewise prayed for.

Pasig City and Quezon City for Pasig City, 04 November 2026.

<Signature Pages Follow>

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General Manager / Authorized Representative
Iloilo III Electric Cooperative, Inc. (ILECO III)
Brgy. Preciosa, Sara, Iloilo
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By:

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IBP Member No. 589395, 06 January 2026, RSM Chapter
MCLE Compliance No. VIII–0027697, Until 14 April 2028

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By:

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VERIFICATION AND CERTIFICATION
OF NON-FORUM SHOPPING

I, **ATTY. JAMES G. BALSOMO II**, of legal age, Filipino, and with office address at Iloilo III Electric Cooperative, Inc. (ILECO III), Brgy. Preciosa, Sara, Iloilo, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the General Manager and authorized representative of **ILECO III**, applicant in this ***Joint Application***, as evidenced by the attached **Board Resolution No. 189, Series of 2026;**

2. I have caused the preparation of the instant ***Joint Application*** and read the contents thereof, and I attest to the authenticity and veracity of all the documents attached herein as based on existing and authentic records of **ILECO III**;

3. I also attest that the factual allegations in the ***Joint Application*** are not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

4. I also attest that the factual allegations in the ***Joint Application*** have evidentiary support, or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;

5. I further attest that I have not commenced or filed any claim involving the same issues herein with any other Court, Tribunal or Quasi-Judicial Agency or I am not aware of any such other case or claim pending before any other court, tribunal or quasi-judicial agency; and

6. 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.

ATTY. JAMES G. BALSOMO II
Declarant

SUBSCRIBED AND SWORN to before me this day of NOV 09 2026 in Municipality of Sara, Iloilo. Declarant exhibited to me his Driver's License No. F12-03-001596 valid until 13 July 2033. Said ID bears his picture and signature.

NOTARY PUBLIC

Doc. No. 416;
Page No. 85;
Book No. VI;
Series of 2026.

ATTY. MARY PATRICIA A. BASINANG
Notary Public
For Province of Iloilo
Notarial Commission Reg. No. 2026-004, Until 12/31/2027
MCLE Compliance No. VIII-0014752 Until 04/14/2028
Attorney's Roll No. 84768
PTR No. 8963616, 01/13/2026
IBP No. 507731, 12/18/2025
Brgy. Poblacion Ilawod, Sara, Iloilo, 5014
mpabasinang@gmail.com 09079947340

Republic of the Philippines)
QUEZON CITY) S.S.

VERIFICATION AND CERTIFICATION AGAINST FORUM SHOPPING

I, **GABRIEL S. VERGARA**, of legal age, married, with office address at Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Metro Manila, after having been duly sworn to in accordance with law, do hereby depose and state that:

1. I am the **Vice President** of **ENERGY DEVELOPMENT CORPORATION** ("**EDC**") with authority to commence, initiate, sign, and file the foregoing Joint Application entitled *In the Matter of the Application for the approval of the Power Supply Agreement between EDC and Iloilo III Electric Cooperative, Inc. (ILECO III) with prayer for the provisional authority or interim relief and motion for confidential treatment of information* (the "Joint Application") with the Energy Regulatory Commission ("ERC");

2. I have caused the preparation of the Joint Application pursuant to Sections 25 and 45(b) of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001, Rule 20(B) of ERC Resolution No. 01, Series of 2021, and Article VIII of ERC Resolution No. 7, Series of 2026;

3. The allegations in the Joint Application are true and correct based on my personal knowledge or the authentic records of EDC;

4. The instant Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

5. The factual allegations in the Joint Application have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;

6. I or EDC have not commenced any other action or proceeding involving the same issues 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

7. If I or EDC should 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 the said fact within five (5) days from discovery thereof to the ERC.

IN WITNESS WHEREOF, I have hereunto affixed my signature this day of NOV 04 2026 at QUEZON CITY.

GABRIEL S. VERGARA
Affiant

SUBSCRIBED and SWORN TO before me this day of NOV 04 2026, with affiant having presented to me his Passport ID No. P7606431B which will expire onSeptember 14, 2031, as competent and reliable evidence of his identity.

Doc. No. 74;
Page No. 16;
Book No. I;
Series of 2026.

ATTY. GEORGE S. CHUA JR.
Notary Public for Quezon City
until December 31, 2027
ADM MATTER No. NP 404 (2026-2027)
ROLL OF ATTORNEYS No. 80588
IBP No. 511134 - 12/26/2024 - RSM
PTR No. 8406462D - 01/05/2026 - Quezon City
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