

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

IN THE MATTER OF THE
JOINT APPLICATION FOR THE
APPROVAL OF THE POWER
SUPPLY AGREEMENT BETWEEN
NUEVA ECIJA II ELECTRIC
COOPERATIVE, INC. - AREA 1
(NEECO II - AREA 1) AND
SUAL POWER INC. (SPI), WITH
MOTION FOR CONFIDENTIAL
TREATMENT OF INFORMATION
AND PRAYER FOR PROVISIONAL
AUTHORITY OR INTERIM RELIEF,

ERC CASE NO. 2025-196 RC

November 17, 2025

NUEVA ECIJA II ELECTRIC
COOPERATIVE, INC. - AREA 1
(NEECO II - AREA 1) AND
SUAL POWER INC. (SPI),

Applicants.

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JOINT APPLICATION

Joint applicants, Nueva Ecija II Electric Cooperative, Inc. - Area 1 (NEECO II - Area 1) and Sual Power Inc. (SPI), by and through their respective counsels, and unto this Honorable Commission most respectfully state:

PARTIES

1. Applicant NEECO II - AREA 1 is an electric cooperative duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at Brgy. Calipahan, Talavera, Nueva Ecija, represented in this instance by its General Manager, ENGR. NELSON M. DELA CRUZ, of legal age, Filipino, married and with office address also at NEECO II - AREA 1 Main Office. It holds an exclusive

Certificate of Franchise to operate electric light and power services in the nine (9) municipalities and one (1) city in the Province of Nueva Ecija, namely: Talavera, Aliaga, Quezon, Licab, Sto. Domingo, Guimba, Talugtug, Lupao, Carranglan, and the Science City of Munoz;

2. Co-applicant SPI is a domestic corporation duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at 5th Floor, C5 Office Building Complex, #100 E. Rodriguez Jr. Avenue, C5 Road, Bo. Ugong, Pasig City 1604;
3. SPI is a subsidiary of San Miguel Global Power Holdings Corp. ("SMGP") and is the owner of the 1,294.040 MW Sual Coal-Fired Thermal Power Plant located in Barangay, Pangascasan, Sual, Pangasinan;
4. Joint Applicants may be served with notices, orders, and other processes of this Honorable Commission through their respective counsel at the addresses indicated herein;

NATURE OF THE APPLICATION

5. The Joint Application for approval of the Power Supply Agreement (PSA) between NEECO II - AREA 1 and SPI, is being submitted to the Honorable Commission for its review and approval pursuant to Sections 25 and 45(b) of Republic Act No. 9136, Rule 20(B) of Honorable Commission's Rules of Practice and Procedure, and other pertinent rules and regulations;

STATEMENT OF FACTS

6. Co-Applicant NEECO II - AREA 1 is in need of 47 Megawatts (MW) full energy/baseload and intermediate supply starting on December 26, 2025. This megawatts requirement will increase to 50 on December 26, 2026; to 53 on December 26, 2027; to 56 on December, 26, 2028; to 59 on December 26, 2029,

until December 25, 2030. Consequently, NEECO II - AREA 1 conducted a Competitive Selection Process (CSP), in compliance with the requirements of the Department of Energy (DOE) Department Circular No. DC2023-06-0021, the Energy Regulatory Commission (ERC) Resolution No. 16, Series of 2023, and the National Electrification Administration (NEA) Memorandum No. 2023-57;

7. Based on the evaluation and post-qualification criteria set by the Power Supply Procurement Bids and Awards Committee (PSP-BAC) of NEECO II - AREA 1 and after due deliberation, the PSP-BAC recommended awarding a Power Supply Agreement (PSA) for 47,000 kW, starting December 26, 2025, and gradually increasing up to 59,000 kW until December 25, 2030, to SPI. Said recommendation was accepted and approved by NEECO II - AREA 1's Board of Directors;
8. Subsequently, a Notice of Award dated July 15, 2025 was issued by NEECO II - AREA 1 in favor of SPI, informing the latter that SPI's bid proposal was compliant with the requirements of NEECO II - AREA 1. There, Applicants executed a PSA on September 5, 2025;
9. Hence, NEECO II - AREA 1 and SPI hereby submit the instant Joint Application for the evaluation/approval of the PSA by the Honorable Commission.

SALIENT TERMS OF THE PSA

10. The PSA between NEECO II - AREA 1 and SPI, a copy of which is hereto attached as **Annex "A"**, contains the following salient features:
 - 10.1. **Nature of Agreement.** A Financial PSA, meaning the supply of power is guaranteed for the entire contract term at a fixed price, without reference to any specific physical power plant, and there is no provision for outage allowance. The Seller is responsible for providing the power requirements regardless of the source, including

its affiliates or the Wholesale Electricity Spot Market (WESM).

10.2. Term

a. Contract Term

This Agreement shall take effect immediately from the Effective Date and shall remain in force and effect for Sixty (60) Billing Periods from Delivery Date, unless sooner terminated in accordance with this Agreement and upon approval by the ERC.

b. Effective Date

The Parties' rights and obligations under this Agreement shall commence on Effective Date, which shall be the date upon which all of the following conditions are satisfied:

- 1) *Corporate Approvals.* The receipt of Seller of a certificate executed by the corporate or partnership secretary, as applicable, or a resolution duly and validly issued by the board of directors of Buyer, attesting to the fact that the board of directors of Buyer has adopted resolutions (i) authorizing Buyer to execute and to enter into and deliver this Agreement and perform all its obligation hereunder, and (ii) designating the person authorized to execute this Agreement on behalf of Buyer; and
- 2) *Government Authorizations.* All governmental authorizations (except ERC) which are required to have been obtained in connection with the execution, delivery and commencement of performance of this Agreement, shall have been obtained and be in full force and effect.

c. Delivery Date

Seller shall commence delivery of Contract Capacity and Contract Energy to Buyer on Delivery Date. The Delivery Date shall be a date, after Effective Date, reckoned from the December 26, 2025 or the next immediate 26th Day of the month following the date of issuance by the ERC of a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority or Interim Relief was issued, whichever comes later.

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10.3. Compensation, Payment, and Billing

a. Billing

Seller Invoice for the energy supplied during a Billing Period and/or invoices for other charges covered by this Agreement payable by the Buyer to the Seller, if any, shall be served upon the Buyer within the first twelve (12) Days of the succeeding Billing Period. Seller Invoice shall be sent electronically through the Online Bills Payment Portal ("OBPP") or through the designated e-mails. The OBPP shall send an email notification to the Buyer which shall be considered as receipt of the said Seller Invoice. Payments shall be made to the authorized banks/collectors of the Seller.

b. Payment of Fees

Buyer shall pay in full to Seller each Month Billing Period, without the necessity of demand, not later than twelve noon (12:00 NN) on the 25th Day of the calendar month following the end of the Billing Period ("Due Date"), an amount equal to the Monthly Payment in accordance with SCHEDULE 3 and other Applicable Charges under this Section. Payments shall be in cleared funds.

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c. Prompt Payment Discount

Seller shall extend **PhP0.1000/kWh** discount to Buyer if:

- 1) Payment is made in full within fifteen (15) Days from receipt of the Seller's Invoice, and;
- 2) Buyer is up to date with all its payment obligations under this Agreement.
- 3) Buyer has submitted all necessary BIR tax Certificates for all taxes withheld.

The Buyer shall not automatically deduct the Prompt Payment Discount from the payment of the current Seller Invoice, and any unilateral deduction shall constitute a breach of this Agreement.

The Prompt Payment Discount for the current Seller Invoice shall be made available to the Buyer in the succeeding Seller Invoice through the issuance of a credit memorandum. The Buyer with an expiring Agreement who is qualified to avail of the Prompt Payment Discount under the final Seller Invoice shall receive its discount upon final settlement and clearance of its Agreement with the Seller.

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d. Line Rental and WESM Charges.

Line Rental charges up to maximum of PhP0.3000/kWh ("LR Cap") as billed by the IEMOP to the Buyer shall be for the account of the Seller. Line Rental charges in excess of the LR Cap shall be for the account of the Buyer.

All other WESM charges as billed by the IEMOP to the Buyer, including Line Rental in excess of the LR Cap as set out in this Section shall be for the account of the Buyer.

10.4. Contract Capacity and Contract Energy (Schedule 2)

Billing Period	Contract Capacity (kW)	Annual Energy Requirement (kWh)	Monthly Contract Energy Requirement (kWh) 1/
Dec 26, 2025 to Jan. 25, 2026	47,000	411,720,000.00	34,968,000.00
Jan. 26, 2026 to Feb. 25, 2026	47,000		34,968,000.00
Feb. 26, 2026 to Mar. 25, 2026	47,000		31,584,000.00
Mar. 26, 2026 to Apr. 25, 2026	47,000		34,968,000.00
Apr. 26, 2026 to May 25, 2026	47,000		33,840,000.00
May 26, 2026 to Jun. 25, 2026	47,000		34,968,000.00
Jun. 26, 2026 to Jul. 25, 2026	47,000		33,840,000.00
Jul. 26, 2026 to Aug. 25, 2026	47,000		34,968,000.00
Aug. 26, 2026 to Sep. 25, 2026	47,000		34,968,000.00
Sep. 26, 2026 to Oct. 25, 2026	47,000		33,840,000.00
Oct. 26, 2026 to Nov. 25, 2026	47,000		34,968,000.00
Nov. 26, 2026 to Dec. 25, 2026	47,000		33,840,000.00
Dec 26, 2026 to Jan. 25, 2027	50,000	438,000,000.00	37,200,000.00
Jan. 26, 2027 to Feb. 25, 2027	50,000		37,200,000.00
Feb. 26, 2027 to Mar. 25, 2027	50,000		33,600,000.00
Mar. 26, 2027 to Apr. 25, 2027	50,000		37,200,000.00
Apr. 26, 2027 to May 25, 2027	50,000		36,000,000.00
May 26, 2027 to Jun. 25, 2027	50,000		37,200,000.00
Jun. 26, 2027 to Jul. 25, 2027	50,000		36,000,000.00
Jul. 26, 2027 to Aug. 25, 2027	50,000		37,200,000.00
Aug. 26, 2027 to Sep. 25, 2027	50,000		37,200,000.00
Sep. 26, 2027 to Oct. 25, 2027	50,000		36,000,000.00
Oct. 26, 2027 to Nov. 25, 2027	50,000		37,200,000.00
Nov. 26, 2027 to Dec. 25, 2027	50,000		36,000,000.00
Dec 26, 2027 to Jan. 25, 2028	53,000	465,552,000.00	39,432,000.00
Jan. 26, 2028 to Feb. 25, 2028	53,000		39,432,000.00
Feb. 26, 2028 to Mar. 25, 2028	53,000		36,888,000.00
Mar. 26, 2028 to Apr. 25, 2028	53,000		39,432,000.00
Apr. 26, 2028 to May 25, 2028	53,000		38,160,000.00
May 26, 2028 to Jun. 25, 2028	53,000		39,432,000.00
Jun. 26, 2028 to Jul. 25, 2028	53,000		38,160,000.00
Jul. 26, 2028 to Aug. 25, 2028	53,000		39,432,000.00
Aug. 26, 2028 to Sep. 25, 2028	53,000		39,432,000.00
Sep. 26, 2028 to Oct. 25, 2028	53,000		38,160,000.00
Oct. 26, 2028 to Nov. 25, 2028	53,000		39,432,000.00
Nov. 26, 2028 to Dec. 25, 2028	53,000		38,160,000.00
Dec 26, 2028 to Jan. 25, 2029	56,000	490,560,000.00	41,664,000.00
Jan. 26, 2029 to Feb. 25, 2029	56,000		41,664,000.00

Feb. 26, 2029 to Mar. 25, 2029	56,000		37,632,000.00
Mar. 26, 2029 to Apr. 25, 2029	56,000		41,664,000.00
Apr. 26, 2029 to May 25, 2029	56,000		40,320,000.00
May 26, 2029 to Jun. 25, 2029	56,000		41,664,000.00
Jun. 26, 2029 to Jul. 25, 2029	56,000		40,320,000.00
Jul. 26, 2029 to Aug. 25, 2029	56,000		41,664,000.00
Aug. 26, 2029 to Sep. 25, 2029	56,000		41,664,000.00
Sep. 26, 2029 to Oct. 25, 2029	56,000		40,320,000.00
Oct. 26, 2029 to Nov. 25, 2029	56,000		41,664,000.00
Nov. 26, 2029 to Dec. 25, 2029	56,000		40,320,000.00
Dec 26, 2029 to Jan. 25, 2030	59,000	516,840,000.00	43,896,000.00
Jan. 26, 2030 to Feb. 25, 2030	59,000		43,896,000.00
Feb. 26, 2030 to Mar. 25, 2030	59,000		39,648,000.00
Mar. 26, 2030 to Apr. 25, 2030	59,000		43,896,000.00
Apr. 26, 2030 to May 25, 2030	59,000		42,480,000.00
May 26, 2030 to Jun. 25, 2030	59,000		43,896,000.00
Jun. 26, 2030 to Jul. 25, 2030	59,000		42,480,000.00
Jul. 26, 2030 to Aug. 25, 2030	59,000		43,896,000.00
Aug. 26, 2030 to Sep. 25, 2030	59,000		43,896,000.00
Sep. 26, 2030 to Oct. 25, 2030	59,000		42,480,000.00
Oct. 26, 2030 to Nov. 25, 2030	59,000		43,896,000.00
Nov. 26, 2030 to Dec. 25, 2030	59,000		42,480,000.00

10.5. Monthly Payment (Schedule 3)

Buyer shall pay Seller for the Contract Capacity and Contract Energy to be computed using the following formula:

$$\mathbf{TGC = CE * (GR)}$$

Where:

TGC = Total Generation Cost in PhP for the Billing Period

CE = Contract Energy in kWh for the Billing Period, as contained in Schedule 2. Delivered Energy shall be used as billing determinant during a Billing Period where an event of Force Majure occurred.

GR = The Generation Rate applicable for the Billing Period, as defined in the Bid Documents set at PhP5.5000/kWh

RATE IMPACT ON NEECO II – AREA 1'S OVERALL GENERATION RATE

11. NEECO II – AREA 1 simulated the rate impact based on its 2024 actual energy purchased. The simulation used the contract prices of its existing and incoming power suppliers. It also included the energy and average rates from the WESM and Net Metering in 2024;
12. The simulation resulted in an estimated average effective rate of PhP 5.7312/kWh (net of discount), or an increase of PhP 1.0936/kWh;

Simulation A: Generation Rate and Supply Mix WITH Existing Contract

Supplier	2024 Contracted Energy (kWhr)	Actual kWh Purchased (kWh) (2024)	Supply Mix Based on Actual kWh Purchased (%)	Total Generation Cost (Php)	Generation Rate (Php/kWh)
IPP	342,576,000.00	340,799,837.17	79.00%	1,353,911,450.55	3.9727
WESM		90,299,790.00	20.93%	645,353,672.10	7.1468
NET Metering		318,894.32	0.07%	1,491,498.47	4.6771
TOTAL/Blended Rate		431,418,521.49	100.00%	2,000,756,621.12	4.6376

A. For the existing Independent Power Producer (IPP), the actual average generation rate for the year 2024 was computed at Php 3.9727/kWh, net of discounts amounting to Php 0.3652/kWh and line rental costs totaling Php 16,429,940.73, which were charged to the account of the power supplier. This resulted in an average purchase share of approximately 90.72%.

NEECO II - Area 1 has been a Direct WESM Member since August 2009. In 2024, the average WESM generation rate, including adjustments, was Php 7.1468/kWh, with a purchase share of around 20.93%. The rate for Net Metering was Php 4.6771/kWh, accounting for approximately 0.07% of the total energy purchased.

As a result, the average blended generation rate passed on to the Member-Consumer-Owners (MCOs) was Php 4.6376/kWh.

Simulation B: Generation Rate and Supply Mix WITH SUAL POWER, INC. (New Contract)

Supplier	2024 Contracted Energy (kWhr)	Actual kWh Purchased (kWh) (2024)	Supply Mix Based on Actual kWh Purchased (%)	Total Generation Cost (Php)	Generation Rate (Php/kWh)
IPP	342,576,000.00	340,799,837.17	79.00%	1,857,969,163.71	5.4518
WESM		90,299,790.00	20.93%	645,353,672.10	7.1468
NET Metering		318,894.32	0.07%	1,491,498.47	4.6771
TOTAL/Blended Rate		431,418,521.49	100.00%	2,504,814,334.28	5.8060

DIFFERENCE: Simulation A and Simulation B 1.1684

B. Under the new Power Supply Agreement (PSA) awarded to Sual Power Inc. (SPI) through a transparent Competitive Selection Process (CSP), a basic generation rate of Php 5.50/kWh (excluding discounts) has been secured. Assuming all other variables remain constant—such as WESM and Net Metering purchases, generation rate components, and line rental—SPI's offered rate results in an average rate impact of Php 1.1684/kWh on the simulated Blended Generation Rate. As a result, NEECO II - AREA 1 is projected to experience an increase in its total power bill over the one-year contract period.

Simulation C: Generation Rate and Supply Mix WITH SUAL POWER, INC. (New Contract with Discounts)

Supplier	2024 Contracted Energy (kWhr)	Actual kWh Purchased (kWh) (2024)	Supply Mix Based on Actual kWh Purchased (%)	Total Generation Cost (Php)	Generation Rate (Php/kWh)
IPP	342,576,000.00	340,799,837.17	79.05%	1,823,889,179.99	5.3518
WESM		90,299,790.00	20.95%	645,353,672.10	7.1468
NET Metering		318,894.32	0.07%	1,491,498.47	4.6771
TOTAL/Blended Rate		431,099,627.17	100.00%	2,470,734,350.56	5.7312

DIFFERENCE: Scenario A and Scenario C 1.0936

C. Applying the same conditions as in Scenario B—but with a Php 0.10/kWh discount (50% of which will be passed on to the Member-Consumer-Owners (MCOs) as a rate reduction)—and assuming the proposed PSA is approved in full by the ERC without modifications, the simulated rate shown in the table under Scenario C will result in an average rate impact of Php 1.0936/kWh.

13. As can be gleaned from the above rate simulation, the entry of SPI as NEECO II – AREA 1’s power supplier, although resulting in an increase in the generation rate, will still benefit of NEECO II – AREA 1 consumers, as the contract was awarded through a Competitive Selection Process (CSP) with a fixed rate for a short-term period of five years. It will also help protect consumers from potential increases in electricity rates due to the volatile prices in the Wholesale Electricity Spot Market (WESM);

14. Likewise, the Applicants provide the following documents for the evaluation of the Joint Application:

DESCRIPTION OF DOCUMENT	ANNEX
<i>Technical Pre-filing</i>	
SPI – NEECO II – Area 1 PSA Executed on 05 Sept 2025	“01”
NEECO II – Area 1 Secretary’s Certificate	“02”
SPI’s Certificate on Previously Submitted Documents <ul style="list-style-type: none"> • SPI’s Certificate of Incorporation, Articles of Incorporation and By-Laws • SPI’s Verified Certification showing list of Board of Directors and the Board Members of the Ultimate Parent Company • SPI’s General Information Sheet (GIS) • SPI’s Certification on Documents Previously Submitted (Section 22, ERC Resolution 16, series of 2023) • SPI’s Affidavit of Undertaking to Submit its Transmission Service Agreement (“TSA”) 	“04”
DSM Program	“08”
Supply and Demand Scenario	“10”
N2A1’s Distribution Development Plan (DDP)	“10A”
N2A1’s Power Supply Procurement Plan (PSPP)	“10B”

N2A1's Performance Assessment	"11"
N2A1's List of Contestable Customers	"12"
Executive Summary	"13"
SPI's Write-ups on Generation Rate, Derivation, and Related Documents (confidential)	"14"
SPI's Rate Derivation (confidential)	"14A"
Sample Computation of Rates	"14B-02"
Financial Bid Forms (confidential)	"14B-03"
<i>Legal Pre-filing</i>	
NEECO II-Area 1 and SPI's Certificate of Email Registration (CER)	"A"
NEECO II-Area 1 Verified Declaration	"A-1"
NEECO II-Area 1 Verification and Certification Against Forum Shopping (CFAS)	"C-1"
Authority of the Counsel to File the Subject Application	"D"
Authority of Affiant to execute Verification or CAFS for the Subject Application	"E"
SPI's Secretary's Certificate	"D-1" and "E-1"
Proof of Service to LGUs	"F" and series
Affidavit of Publication	"G"
Newspaper where the Joint Application was published	"G-1"
NEECO II-Area 1 Brief Description of the CSP Conducted	"H"
NEECO II-Area 1 PSPBAC Establishment	"I"
NEECO II-Area 1 CSP Observers	"J"
NEECO II-Area 1 Invitation to Bid (ITB)	"K"
NEECO II-Area 1 Certificate of Conformity (COC) from NEA	"L"
NEECO II-Area 1 Publication of the ITB	"M"
NEECO II-Area 1 Posting of the ITB	"N"
NEECO II-Area 1 Instruction to Bidders	"O"
NEECO II-Area 1 Terms of Reference	"P"
NEECO II-Area 1 Pre-Bid Conference	"Q-1"
NEECO II-Area 1 Supplemental Bid Bulletin	"Q-2"

Executive Summary (confidential)	"R-1"
Organizational Structure (confidential)	"R-2"
Registration Certificate (confidential)	"R-3A"
General Information Sheet (confidential)	"R-3B"
Power of Attorney and Other Documents (confidential)	"R-3C"
Sworn Attestation Against Corruption (confidential)	"R-3D"
Sworn Attestation of No Conflict of Interest (confidential)	"R-3E"
Technical Capability Information (confidential)	"R-4"
Financial Information (confidential)	"R-5"
Form Acceptance of Bidding Procedures	"S-1"
Form and Amount of the Bid Security	"S-2"
Form and Amount of Performance Security and Warranty	"S-3"
Certification or Undertaking of the Bidder	"S-4"
Financial Bid Forms	"S-6"
Draft Contract (PSA)	"S-7"
NEECO II-Area 1 Evaluation of Bids	"T-1 to T-3"
NEECO II-Area 1 Resolution of the PSPBAC	"U-1"
NEECO II-Area 1 Abstract of Bids	"U-2"
NEECO II-Area 1 Bid Evaluation Report	"U-3"
Proposals/Offers Received (confidential)	"U-4"
NEECO II-Area 1 Notice of Award	"U-5"
Execution and Signing of the PSA	"V-1"
Posting of the Performance Bond	"V-2"
NEECO II-Area 1 Notice to Proceed	"V-3"
NEECO II-Area 1 Affidavit of the PSPBAC on the Conduct of CSP	"V-4"
Protests and Dispute Resolution	"W"
NEECO II-Area 1 Affidavit in Support of the Prayer for Issuance of Provisional Authority	"X"

MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

15. Under the ERC Revised Rules of Practice and Procedure, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential. Pursuant to this, Applicants NEECO II- AREA 1 and SPI pray for the confidential treatment of the information contained in the following annexes:

Documents and/or Information	Annex
SPI's Write-ups on Generation Rate, Derivation, and Related Documents	"14"
SPI's Rate Derivation	"14A"
Financial Bid Form	"14B-03"
Executive Summary	"R-1"
Organizational Structure	"R-2"
Registration Certificate	"R-3A"
General Information Sheet	"R-3B"
Power of Attorney and Other Documents	"R-3C"
Sworn Attestation Against Corruption	"R-3D"
Sworn Attestation of No Conflict of Interest	"R-3E"
Technical Capability Information	"R-4"
Financial Information	"R-5"
Proposals/Offers Received	"U-4"

16. Annexes "14B-03," "R-1," "R-2," "R-3A," "R-3B," "R-3C," "R-3D," "R-3E," "R-4," "R-5," and "U-4" contain business information and detailed breakdowns of generation costs from other power suppliers who participated in and submitted bid prices during NEECO II - AREA 1's CSP;
17. Annexes "14" and "14A" contain the details concerning the financial plans and power rate calculations of SPI as well as the manner by which these were derived. The subject informations are proprietary in nature and should be protected as trade secrets as contemplated by law and jurisprudence. In the case of *Air Philippines Corporation vs. Pennswell, Inc.* (G.R. No. 172836, December 13, 2007), the Supreme Court defined a trade secret, as follows:

“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. The inventor, discoverer, or possessor of a trade secret or similar innovation has rights therein which may be treated as property, and ordinarily an injunction will be granted to prevent the disclosure of the trade secret by one who obtained the information “in confidence” or through a “confidential relationship”. American jurisprudence has utilized the following factors to determine if an information is a trade secret, to wit:

- (1) the extent to which the information is known outside of the employer's business;
- (2) the extent to which the information is known by employees and others involved in the business;
- (3) the extent of measures taken by the employer to guard the secrecy of the information;
- (4) the value of the information to the employer and to competitors;
- (5) the amount of effort or money expended by the company in developing the information; and
- (6) the extent to which the information could be easily or

readily obtained through an independence source.”;

18. The interest of the consuming public is sufficiently protected by the review and evaluation of the rates under the PSA by the Honorable Commission without the need to disclose the contents of Annexes “14” and “14-A”. The reasonableness and transparency of the prices of electricity is to be assured by the Honorable Commission through its own review and verification of SPI’s generation costs;
19. More importantly, competitors of SPI, should they obtain the information in Annexes “14” and “14-A” may gain undue advantage to the prejudice of SPI;
20. Joint Applicants hereby submit one (1) copy of the confidential documents in a sealed envelope, with the envelope and each page of the document stamped with the word “Confidential”;
21. Further, Joint Applicants would like to implore the discerning wisdom of the Honorable Commission to include in its issuance for this purpose the “procedures for the handling or returning the confidential information, as appropriate, upon the close of the proceedings or at the end of the period provided in this Rule”;
22. This is guided by the fact that Joint Applicants will seek for the return of these sought to be declared confidential annexes after its utilization as evidence in this case and/or at the close of the proceedings hereof, so as to relieve the Honorable Commission of the burden of safekeeping the trade secrets of SPI enclosed in the subject annexes;

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

23. Under Rule 14, Section 1 of the ERC Revised Rules of Practice and Procedure, the Honorable Commission may issue a provisional authority or interim relief

prior to a final decision, provided the facts and circumstances alleged warrant such remedy;

24. With the current limitations on the available capacity in the Luzon Grid, NEECO II - AREA 1 must immediately source its power supply from SPI to achieve energy security and to avoid potential power outages in NEECO II - AREA 1's franchise area;
25. The latest NEECO II - AREA 1's DDP shows an increasing demand and energy requirements of its new and current customers in 2024-2030;
26. As shown in the rate impact simulation, the subject PSA would provide NEECO II - AREA 1's customers up to Php1.0936/kWh average rate increase. However, without the supply of SPI, NEECO II - AREA 1 will be severely exposed to volatile prices in the Wholesale Electricity Spot Market (WESM). Consequently, the NEECO II - AREA 1's generation charge will be adversely affected to the prejudice of its customers;
27. The implementation of the PSA with PSI will enable NEECO II - AREA 1 to continuously provide its customers with stable, reliable, secured, and short-term power supply at cheaper electricity rate; and
28. The grant of a provisional authority or interim relief will allow NEECO II - AREA 1 to have a steady, continuous, secured, and reliable source of electricity, which will immediately redound to the benefit of NEECO II - AREA 1's customers in terms of providing a more affordable rate. To support the Motion for Provisional Authority, the Affidavit of Engr. Nelson M. Dela Cruz, the NEECO II - AREA 1's General Manager, is attached as Annex "X" of the Application.

PRAYER

WHEREFORE, premises considered, applicants Nueva Ecija II Electric Cooperative, Inc. - Area 1 (NEECO II - AREA 1) and Sual Power Inc. (SPI) respectfully pray of this Honorable Commission:

- (i) **ISSUE** an Order treating Annexes "14", "14A", "14B-03," "R-1," "R-2," "R-3A," "R-3B," "R-3C," "R-3D," "R-3E," "R-4," "R-5," and "U-4" as confidential in perpetuity, directing their non-disclosure to persons other than the officers and staff of the Honorable Commission, perpetually protecting the said information from public disclosure by maintaining the same separate and apart from the records of the case, ensuring that these are not divulged to unauthorized persons, and that these confidential documents are returned to NEECO II - AREA 1 and SPI after the termination of this case pursuant to Rule 4 of Practice and Procedure;
- (ii) Pending trial on the merits, **GRANT** provisional authority or interim relief allowing the implementation of the PSA including all the rates, fees, charges, and tariff adjustment therein from its customers reckoned from the start of the supply by SPI to NEECO II - AREA 1 under the PSA SUBJECT OF THIS Joint Application; and
- (iii) After hearing on the merits, **ISSUE** a Decision approving the Joint Application and the PSA between NEECO II - AREA 1 and SPI, including all the rates, fees, charges, and tariff adjustment mechanisms set out therein at the rates provided in the PSA, and authorizing NEECO II - AREA 1 to charge and collect such rates, fees, charges, and tariff adjustments therein from its end-users reckoned from the start of the supply by SPI to NEECO II - AREA 1 under the PSA.

Other reliefs, just and equitable, are likewise prayed for.

Cainta, Rizal for Pasig City, 17 October 2025.

(Signature pages of counsel will follow)

NUEVA ECIJA II ELECTRIC COOPERATIVE, INC.-AREA 1

By:

[REDACTED]
ARNIDO O. INUMERABLE >

Counsel for Applicant NEECO II – AREA 1
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PTR No. 7123752/ 23 January 2025 / Quezon City
IBP No. 513014 / Pasig City
MCLE Compliance No. VII-002592, 1-23-23
Roll of No. 28764

SUAL POWER INC.

By:



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PTR No. 3006693 / 03 January 2025 / Pasig City

IBP Lifetime No. 06372 / Makati Chapter

MCLE Compliance No. VIII - 0032570 valid until 14 April 2028

Roll No. 47112



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Pasig City 1604, Metro Manila

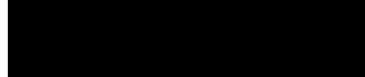
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IBP Invoice No. 514069 / 27 February 2025 /

Central Luzon Bulacan Chapter

MCLE Compliance No. VIII-0016943 valid until 14 April 2028

Roll No. 39024

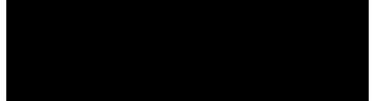
REPUBLIC OF THE PHILIPPINES)
MUNICIPALITY OF TALAVERA) S.S.
PROVINCE OF NUEVA ECIJA)

**VERIFICATION AND CERTIFICATION
AGAINST FORUM SHOPPING**

I, ENGR. NELSON M. DELA CRUZ, of legal age, Filipino, married and with office address located at Nueva Ecija II Electric Cooperative, Inc.- Area 1 (NEECO II - AREA 1), Calipahan, Talavera, Nueva Ecija, after having been sworn to in accordance with law hereby depose and states:

1. That I am the General Manager of NEECO II - AREA 1;
2. That I have caused the preparation of this Joint Application for Approval of the Power Supply Agreement (PSA) Between Nueva Ecija II Electric Cooperative, Inc. - Area 1 (NEECO II - AREA 1) and Sual Power Inc. (SPI), with a Motion for Confidential Treatment of Information and a Prayer for Provisional Authority or Interim Relief, with respect only to portion pertaining solely to NEECO II - AREA 1;
3. That I have read and know the contents of the aforesaid Joint Application pertaining to NEECO II - AREA 1 as true and correct to the best of my knowledge;
4. That I hereby certify that I have not heretofore commenced by any other action or proceeding involving the same matter in the Supreme Court, the Court of Appeals or any other tribunal or agency;
5. That to the best of my knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals or any other tribunal or agency;
6. That if there is such action or proceedings which is either pending or may have been terminated, I must state the status thereof, and;

7. That should thereafter learn that a similar action or proceeding has been filed or pending before the Supreme Court, the Court of Appeals or any other tribunal or agency, I will undertake to report that fact within five (5) days therefrom to the Court or agency wherein the original pleading has been filed.


ENGR. NELSON M. DELA CRUZ
Affiant

SUBSCRIBED AND SWORN TO before me this OCT 17 2025 day of _____, 2025 in Talavera, Nueva Ecija, Philippines, affiant exhibited to his Unified Multi-Purpose Identification Card No. CRN-0002-1980015-6.


ATTY. RAY WILSON C. TOLENTINO
Notary Public for and in the Science City of Muñoz,
Municipalities of Talavera and Sto. Domingo, Nueva Ecija
Notarial Commission Serial No. SD2025-07
Valid until December 31, 2026
Poblacion Sur, Talavera, Nueva Ecija, Philippines
Roll of Attorney's No. 83482; June 8, 2022; Manila
IBP O.R. No. 486779; December 23, 2024; Pasig City
PTR No. 0505937; January 2, 2025; Nueva Ecija
MCLE Compliance No. VIII-0010893; July 17, 2024; Pasig City



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

I, **ELENITA D. GO**, Filipino, of legal age, and with office address at the 5th Floor, 100 Eulogio Rodriguez Jr. Avenue C5 Road (North Bound) Pasig City, after having been duly sworn to in accordance with law, hereby depose and state, that:

1. I am the authorized representative of Sual Power Inc. ("SPI") a co-applicant in the Joint Application for Approval of the Power Supply Agreement between Nueva Ecija II Electric Cooperative, Inc. – Area 1 ("NEECO II-Area 1") and SPI;
2. I have caused the preparation and filing of the Joint Application and that I have read the contents thereof and aver that all the factual/legal allegations contained therein are true and correct based on my personal knowledge and/or on authentic documents/official records;
3. The Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation and that the factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery; and,
4. I hereby certify that SPI has not filed/commenced any action or proceeding arising from the same issues raised in the Joint Application before the Supreme Court, Court of Appeals, or any other courts or tribunals or quasi-judicial bodies/agencies and to the best of my knowledge, no such other similar action or claim is pending therein. If ever there is a case pending before the said courts or tribunals involving the same issues, I undertake to inform the Honorable Energy Regulatory Commission of such fact within five (5) calendar days from knowledge thereof.

I am executing this undertaking in support of the Joint Application and the veracity of the allegations therein as well as for any other legal purpose this may serve.

IN WITNESS WHEREOF, I have hereunto set my hand this
OCT 17 2025 at Pasig City.


ELENITA D. GO
Affiant

SUBSCRIBED AND SWORN to before me this OCT 17 2025 in
Pasig City. Affiant personally appeared and exhibited to me her Philippine Passport No. P1876103B issued on June 7, 2019 at the DFA NCR East as her competent proof of identity and with affiant waiving the right to receive a duplicate and original electronic copy of the Verification and Certification of Non-Forum Shopping in effect waiving any objection to the completeness of the reproduction of the same.

Doc. No.: 67;
Page No.: 15;
Book No.: VI;
Series of 2025.



Marilen S. Vizco-Adriano

MARILEN S. VIZCO-ADRIANO

Appointment No. 285 (2024-2025)

Notary Public for Pasig City

Until December 31, 2025

5th Floor, C5 Office Building Complex,

#100 E. Rodriguez Jr. Ave., C5 Road,

Bo. Ugong, Pasig City 1604, Metro Manila

Roll No. 52532

PTR No. 3006694; January 3, 2025 / Pasig City

BNP Lifetime Membership No. 09353 / Quezon City Chapter

CLE Compliance No. VITI-0016432; Valid until April 14, 2025