

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

**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE  
EMERGENCY POWER  
SUPPLY AGREEMENT  
BETWEEN ALBAY  
ELECTRIC COOPERATIVE,  
INC. AND FDC MISAMIS  
POWER CORPORATION,  
WITH MOTION FOR  
CONFIDENTIAL  
TREATMENT OF  
INFORMATION**

**ERC CASE NO. 2026-044 RC**

**ALBAY ELECTRIC  
COOPERATIVE, INC.  
(ALECO) AND FDC  
MISAMIS POWER  
CORPORATION (FDC  
MISAMIS),**

**Promulgated:**  
April 15, 2026

*Applicants.*

X-----X

**NOTICE OF VIRTUAL HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 31 March 2026, Albay Electric Cooperative, Inc. (ALECO) and FDC Misamis Power Corporation (FDC Misamis) filed a *Joint Application*, dated 15 September 2025, seeking the Commission's approval of its Emergency Power Supply Agreement (EPSA), with motion for confidential treatment of information.

The docketed copy of the *Joint Application*, excluding its annexes, is attached as Annex "A" hereof.

The Commission has set the instant *Joint Application* for hearing, pursuant to the pertinent rules of the Commission, as follows:

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**NOTICE OF VIRTUAL HEARING**  
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<b>Date and Time</b>	<b>Platform</b>	<b>Activity</b>
<b>13 May 2026</b> (Wednesday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams</b>	Determination of compliance with jurisdictional requirements and Expository Presentation
<b>20 May 2026</b> (Wednesday) at two o'clock in the afternoon (2:00 P.M.)		Pre-Trial Conference and Presentation of Evidence

Accordingly, the Applicants are hereby directed to mirror the virtual hearings, to be hosted by the Commission, at **ALECO's Principal Office at W, Vinzons St., Old Albay District Legazpi City, Albay**, as the designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, the Applicants shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

Any interested stakeholder may submit its comments and/or clarifications at least **one (1) calendar day** prior to the scheduled initial virtual hearing, via e-mail at [docket@erc.ph](mailto:docket@erc.ph), copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph). The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

Moreover, any person who has an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at [docket@erc.ph](mailto:docket@erc.ph), and copy furnishing the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), a verified Petition to Intervene **at least five (5) calendar days** prior to the date of the initial virtual hearing. The verified Petition to Intervene must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicating therein the docket number and title of the case, and state the following:

- 1) The petitioner's name, mailing address, and e-mail address;
- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and

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**NOTICE OF VIRTUAL HEARING**  
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- 3) A statement of the relief desired.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), their Opposition or Comment thereon **at least five (5) calendar days** prior to the initial virtual hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name, mailing address, and e-mail address of the person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgement receipt e-mail sent by the Commission.

Any of the persons mentioned in the preceding paragraphs may access the copy of the *Application* on the Commission's official website at [www.erc.gov.ph](http://www.erc.gov.ph).

*(This space is intentionally left blank.)*

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

**WITNESS**, the Honorable Chairperson and CEO **FRANCIS SATURNINO C. JUAN** and the Honorable Commissioners **FLORESINDA G. BALDO-DIGAL**, **MARKO ROMEO L. FUENTES**, **AMANTE A. LIBERATO** and **PARIS G. REAL**, Energy Regulatory Commission in Pasig City.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

*Maria Corazon C. Gines*

**ATTY. MARIA CORAZON C. GINES<sup>1</sup>**  
*Director III, Legal Service*

*CC1/JGGW*  
LS: CC1/JGGW

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
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**IN THE MATTER OF THE  
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EMERGENCY POWER  
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**ALBAY ELECTRIC  
COOPERATIVE, INC.  
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MISAMIS POWER  
CORPORATION (FDC  
MISAMIS),**

**Promulgated:**

April 15, 2026

*Applicants.*

X-----X

**ORDER**

On 31 March 2026, Albay Electric Cooperative, Inc. (ALECO) and FDC Misamis Power Corporation (FDC Misamis) filed a *Joint Application*, dated 15 September 2025, seeking the Commission's approval of its Emergency Power Supply Agreement (EPSA), with motion for confidential treatment of information.

The docketed copy of the *Joint Application*, excluding its annexes, is attached as Annex "A" of the *Notice of Virtual Hearing*.

Finding the *Joint Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for hearing, pursuant to the pertinent rules of the Commission, as follows:

<b>Date and Time</b>	<b>Platform</b>	<b>Activity</b>
<b>13 May 2026</b> (Wednesday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams</b>	Determination of compliance with jurisdictional requirements and Expository Presentation
<b>20 May 2026</b> (Wednesday) at two o'clock in the afternoon (2:00 P.M.)		Pre-Trial Conference and Presentation of Evidence

Accordingly, the Applicants are hereby directed to mirror the virtual hearings, to be hosted by the Commission, at **ALECO's Principal Office at W. Vinzons St., Old Albay District, Legazpi City, Albay**, as the designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, the Applicants shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

**RELATIVE THERETO**, the Applicant is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing*, including Annex "A" thereof, in two (2) newspapers of nationwide circulation in the Philippines at their own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, including Annex "A" thereof, the Offices of the Provincial Governor, the Mayors, and their respective Local Government Unit (LGU) legislative bodies within ALECO's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within ALECO's franchise area, by any other means available and appropriate, of the filing of the *Joint Application*, their reasons therefor, and of the scheduled virtual hearings;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, including Annex "A" thereof, the Office

(COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and

- 5) Furnish with copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

**Within five (5) calendar days** prior to the date of the initial virtual hearing, the Applicant must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), the scanned copies of their written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing*, including Annex "A" thereof, consisting of affidavits of the Editors or Business Managers of the newspapers where the same were published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* including Annex "A" thereof, consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by Applicants to inform the consumers within ALECO's franchise area of the filing of the *Joint Application*, their reasons therefor, and of the scheduled hearings;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* including Annex "A" thereof, by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Application* and its attachments except those subject of a motion for

confidential treatment of information, if any, by all those making requests therefor; and

- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, Applicants are hereby required to post on their bulletin boards, the scanned copies of the foregoing jurisdictional requirements and to submit the proof of posting thereof.

The Applicants and all interested parties are also required to submit via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings thereof, which must be attached to the Pre-Trial Brief; and
- 4) The names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-Trial Brief.

Failure of the Applicants to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings.

The Applicants must also be prepared to make an expository presentation of the *Joint Application*, aided by whatever communication medium that they may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Joint Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Joint Application* must be cited in support thereof.

The Applicants are hereby directed to file a copy of their Expository Presentation via e-mail at [docket@erc.ph](mailto:docket@erc.ph), copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** prior to the scheduled virtual hearing. The Applicants are also required to provide a copy of their Expository Presentation to any stakeholder requesting therefor **at least five (5) calendar days** prior to the scheduled virtual hearing.

The Applicants and interested parties are hereby directed to submit, either through personal service, registered or ordinary mail/private courier, all the pleadings and required submissions, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

Finally, the Applicants, including their authorized representatives and witnesses, and interested parties who wish to attend the scheduled virtual hearings are hereby directed to provide the Commission, through [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

**SO ORDERED.**

Pasig City.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

*Maria Corazon C. Gines*

**ATTY. MARIA CORAZON C. GINES<sup>1</sup>**  
*Director III, Legal Service*

*CCT JGGW*  
LS: CCT/JGGW

**ERC CASE NO. 2026-044 RC**  
**ORDER**  
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**Copy Furnished:**

1. Albay Electric Cooperative, Inc. (ALECO)  
*Applicant*  
W. Vinzons St., Old Albay District,  
Legazpi City, Albay  
[aleco\\_ogm@yahoo.com](mailto:aleco_ogm@yahoo.com)  
[corplan.aleco@gmail.com](mailto:corplan.aleco@gmail.com)  
[aleco\\_ops@yahoo.com](mailto:aleco_ops@yahoo.com)
2. FDC Misamis Power Corporation (FDC Misamis)  
*Applicant*  
PHIVIDEC Industrial Estate  
Villanueva, Misamis Oriental  
[corpcomm@fdcutilities.com](mailto:corpcomm@fdcutilities.com)
3. Guzman Ceniza Law Office  
*Counsel for Joint Applicants ALECO and FDC Misamis*  
Unit 1706, One San Miguel Condominium  
#1 San Miguel Ave., Ortigas Center, Pasig City  
[gclawoffice@gclawoffice.com.ph](mailto:gclawoffice@gclawoffice.com.ph)
4. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City  
[citizensdesk@coa.gov.ph](mailto:citizensdesk@coa.gov.ph)
5. Senate Committee on Energy  
GSIS Building, Roxas Boulevard, Pasay City  
[senateenergycommittee@gmail.com](mailto:senateenergycommittee@gmail.com)
6. House Committee on Energy  
Batasan Hills, Quezon City  
[committee.energy@house.gov.ph](mailto:committee.energy@house.gov.ph)
7. Office of the Solicitor General (OSG)  
134 Amorsolo Street, Legaspi Village, Makati City  
[docket@osg.gov.ph](mailto:docket@osg.gov.ph)
8. Office of the Governor  
Province of Albay
9. Office of the Sangguniang Panlalawigan  
Province of Albay
10. Office of the Municipal Mayor  
Jovellar, Albay
11. Office of the Sangguniang Bayan  
Jovellar, Albay
12. Office of the Municipal Mayor  
Guinobatan, Albay
13. Office of the Sangguniang Bayan  
Guinobatan, Albay
14. Office of the Municipal Mayor  
Libon, Albay
15. Office of the Sangguniang Bayan  
Libon, Albay
15. Office of the City Mayor  
Legazpi, Albay

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17. Office of the Municipal Mayor  
Malilipot, Albay
18. Office of the Sangguniang Bayan  
Malilipot, Albay
19. Office of the City Mayor  
Ligao, Albay
20. Office of the Sangguniang Panlungsod  
Ligao, Albay
21. Office of the Municipal Mayor  
Manito, Albay
22. Office of the Sangguniang Bayan  
Manito, Albay
23. Office of the Municipal Mayor  
Malinao, Albay
24. Office of the Sangguniang Bayan  
Malinao, Albay
25. Office of the Municipal Mayor  
Sto. Pio Duran, Albay
26. Office of the Sangguniang Bayan  
Sto. Pio Duran, Albay
25. Office of the Municipal Mayor  
Oas, Albay
26. Office of the Sangguniang Bayan  
Oas, Albay
27. Office of the Municipal Mayor  
Rapu-Rapu, Albay
28. Office of the Sangguniang Bayan  
Rapu-Rapu, Albay
29. Office of the Municipal Mayor  
Polangui, Albay
30. Office of the Sangguniang Bayan  
Polangui, Albay
31. Office of the City Mayor  
Tabaco, Albay
32. Office of the Sangguniang Panlungsod  
Tabaco, Albay
33. Office of the Municipal Mayor  
Santo Domingo, Albay
34. Office of the Sangguniang Bayan  
Santo Domingo, Albay
35. Office of the Municipal Mayor  
Tiwi, Albay
36. Office of the Sangguniang Bayan

**ERC CASE NO. 2026-044 RC**  
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37. Office of the Municipal Mayor  
Bacacay, Albay
38. Office of the Sangguniang Bayan  
Bacacay, Albay
39. Office of the Municipal Mayor  
Daraga, Albay
40. Office of the Sangguniang Bayan  
Daraga, Albay
41. Office of the Municipal Mayor  
Camalig, Albay
42. Office of the Sangguniang Bayan  
Camalig, Albay
43. ERC Regulatory Operations Service  
14th Floor, Exquadra Tower,  
1 Jade Drive, Ortigas Center,  
San Antonio, Pasig City  
[ros@erc.ph](mailto:ros@erc.ph)

Republic of the Philippines  
ENERGY REGULATORY COMMISSION  
Jade Drive, Pasig City

IN THE MATTER OF THE  
APPLICATION FOR APPROVAL  
OF THE EMERGENCY POWER  
SUPPLY AGREEMENT  
BETWEEN ALBAY ELECTRIC  
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ERC CASE NO. 2026-044 RC

March 31, 2026

ALBAY ELECTRIC  
COOPERATIVE, INC. (ALECO)  
AND FDC MISAMIS POWER  
CORPORATION (FDC  
MISAMIS),

*Applicants.*

x-----x

**JOINT APPLICATION**

*(With Motion for Confidential Treatment of Information)*

Applicants, ALBAY ELECTRIC COOPERATIVE, INC. (ALECO) and FDC MISAMIS POWER CORPORATION (FDC MISAMIS), through counsel, and unto this Honorable Commission, respectfully state that:

**THE APPLICANTS**

1. Applicant ALECO is an electric cooperative duly organized and existing under the laws of the Republic of the

District, Legazpi City, Albay. ALECO is represented herein by its Acting General Manager, Engr. Wilfredo O. Bucsit.

2. ALECO holds an exclusive franchise issued by the National Electrification Administration (NEA), to operate an electric light and power distribution service in the Cities of Legazpi, Ligao and Tabaco, the Municipalities of Daraga, Camalig, Manito, Rapu-Rapu, Tiwi, Malinao, Malilipot, Bacacay, Sto. Domingo, Guinobatan, Jovellar, Oas, Libon, Polangui and Sto. Pio Duran, all in the Province of Albay ("Franchise Area").

3. Applicant FDC MISAMIS is a generation company duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at PHIVIDEC Industrial Estate, Villanueva, Misamis Oriental. It is represented in this application by its President & CEO, Mr. Juan Eugenio L. Roxas.

4. ALECO and FDC MISAMIS are jointly filing this Application pursuant to the Commission's Resolution No. 02, Series of 2015 requiring distribution utilities and generation companies to jointly file an application for the approval of their power supply agreements.<sup>1</sup> (ALECO and FDC MISAMIS are referred hereinafter as Joint Applicants.)

5. The Joint Applicants may be served with the orders, notices, and other processes of the Honorable Commission through their undersigned counsels at the addresses provided hereunder.

## **NATURE AND TIMELINESS OF THE APPLICATION**

6. This is a *Joint Application* for the approval of the *Emergency Power Supply Agreement ("EPSA")* entered into by and between Joint Applicants on 30 May 2025.

7. Section 24 of Resolution No. 16, Series of 2023 entitled "*Implementing Guidelines for the Procurement, Execution and Evaluation of Power Supply Agreements Entered into by Distribution Utilities for the Supply of Electricity to Their Captive Market*" ("*2023 CSP Rules*")

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mandates that *“the application for approval of the EPSA shall be filed with the ERC within thirty (30) calendar days after the occurrence of the Force Majeure or Fortuitous Event.”*

8. Pursuant to the provisions pertaining to the exemption from conducting a Competitive Selection Process (CSP), ALECO respectfully asserts its legal authorization to procure electricity through negotiated procurement due to circumstances beyond its control. As elaborated hereunder, it is essential for ALECO to pursue this approach to ensure the cost-effective provision of electricity to its consumers.

### **STATEMENT OF FACTS**

9. On 21 November 2022, the Concession Agreement between ALECO and Albay and Energy Corp. (APEC) was terminated.

10. The on-going Competitive Selection Process (CSP) being conducted by APEC for its demand requirements was deferred and eventually discontinued due to transfer of operations from APEC to ALECO.

11. ALECO also immediately sought for an EPSA since it is sourcing 100% of its power supply from the Wholesale Electricity Spot Market (WESM). ALECO likewise requested from the Department of Energy (DOE) the issuance of a Certificate of Exemption (COE) from the conduct of CSP.

12. Accordingly, DOE issued a COE in favor of ALECO from the conduct of CSP for a period of one (1) year beginning 26 February 2024 to 25 February 2025.

13. After series of negotiations with Masinloc Power Partners Co. Ltd. (MPPCL), ALECO agreed to enter into an Emergency Power Supply Agreement with MPPCL for a period of one (1) year. However, the EPSA between ALECO and MPPCL did not materialize due to circumstances beyond the control of the parties.

14. In addition, ALECO's implementation of the CSP was halted due to the issuance of DOE Circular No. 2023-06-0021, which introduced a new CSP policy.

15. Sometime in November 2023, DOE issued DOE Circular No. DC2023-10-0022, directing NEA to facilitate the joint conduct of the CSP ("Joint CSP") for the power supply of Electric Cooperatives (ECS) in Luzon using an indigenous natural gas. ALECO was one of the ECs chosen to participate in the Joint CSP and ALECO committed its 60MW baseload demand.

16. However, on 01 March 2024, DOE directed NEA to hold in abeyance the conduct of the Joint CSP and all activities related thereto until further notice due to recent developments in fuel prices. Thus, ALECO was constrained to continually source its 100% power supply requirement from WESM.

17. While waiting for the resumption of the Joint CSP with NEA and pursuant to its effort to provide a reliable, adequate, and affordable electric power supply to its member-consumers-owners (MCOs) and in compliance with regulatory requirements, ALECO executed six (6) months Emergency Power Supply Agreement ("EPSA") with FDC MISAMIS on 24 May 2024 with a covered period from 26 May 2024 to 25 November 2024, extendable to one (1) year

18. Upon resumption of the Joint CSP, ALECO executed Power Supply Agreements (PSAs) with the Therma Luzon Inc. (TLI), and Masinloc Power Ltd. Co. (MPCL) both dated 03 February 2025.

19. As of April 2025, pending Commission approval of the PSAs, ALECO's MCOs were exposed to volatile WESM rates procured for January to March billing periods, by as much as PhP4.6421/kWh, PhP4.2584/kWh and PhP5.9998kWh (inclusive of VAT), respectively. Moreover, ALECO is burdened with the increase in the required prudential requirement that threatens its financial operations. Thus, it seeks to prevent the volatile WESM prices by entering into an emergency supply agreement.

20. ALECO sent a request for an Emergency Power Supply Agreement (EPSA) for a 30 MW baseload to four (4) power suppliers, namely FDCMPC, GN Power, GN Power Ltd. Co., and First Gen. Corp. The EPSA covers the period from May 26, 2025 to September 25,

2025, and may be extended for up to one (1) year and/or until the Energy Regulatory Commission (ERC) issues a Provisional Authority or Interim Relief.

21. Pursuant to the 2023 CSP Rules, on 28 May 2025, ALECO sent a Notice of Force Majeure Majeure/Fortuitous Event of even date to the Honorable Commission, DOE, and NEA.

22. On 28 May 2025, ALECO received from FDC MISAMIS an offer for its 30MW baseload (firm) for four (4) months commencing on 26 May 2025 until 25 September 2025, or until the issuance of Commission's Provisional Authority or Interim Relief of ALECO applied PSAs, extendable to one (1) year, upon mutual agreement of the parties. On 30 May 2025, Joint Applicants executed the EPSA for the review and approval of the Honorable Commission.

23. Consequently, FDC MISAMIS commenced delivery to ALECO under the terms of the EPSA on 31 May 2025.

### **RATE IMPACT**

24. The indicative rate impact on ALECO's overall generation rate with the additional supply from FDC MISAMIS shows a decrease of about PhP0.0789/kWh , to wit:

<b>Generation Rate Impact of PSA with FDC MISAMIS</b>	
Without FDC MISAMIS	PhP5.3499/kWh
With FDC MISAMIS	PhP5.0212/kWh
<b>Rate Impact</b>	<b>(PhP0.3287/kWh)</b>

Note that ALECO's estimated savings for the covered four (4) months is Thirty-Four Million Seven Hundred Eighty Three Thousand Six Hundred Ten Pesos (PhP34,783,610.00).

### **ABSTRACT OF THE POWER SUPPLY AGREEMENT AND RELATED INFORMATION**

25. Under the EPSA, FDC MISAMIS shall supply power to

(Firm). Attached herein as proof is ALECO's Demand-Supply Scenario is attached as Annex "H".

26. The power provided to ALECO will be sourced from FDC MISAMIS's 3 x 135 MW circulating fluidized bed coal fired thermal power plant in the PHIVIDEC Industrial Estate, in Villanueva, Misamis Oriental, with a rated capacity of 405 MW and net dependable capacity of 369 MW (the "Power Plant"). FDC MISAMIS shall supply power to ALECO under the terms stipulated in their EPSA.

27. The following are the Salient Features of the EPSA:

27.1 Term: The Term of the EPSA shall be four (4) months or until issuance of ERC's Provisional Authority or Interim Relief of ALECO applied Power Supply Agreements, extendable to one (1) year from commencement of delivery, upon mutual agreement of both parties.

27.2 Date of Commencement of Supply: The obligation of FDC MISAMIS to deliver electric power to ALECO shall commence immediately following the execution of the EPSA, and more specifically on 31 May 2025.

27.3 Contract Type: 30MW Firm

27.4 Contract Demand and Contract Energy: The Joint Applicants agreed to the following service specifications:

	FIRM	NON-FIRM
Contracted Demand (monthly): kW	30,000	xxx
Contracted Energy (12 months): kWh	262,800,000	xxx
Customer Load Factor Per Interval	At least 70%	xxx%
Delivery Point	Plant Gate FDC Misamis Power Corporation's Power Plant	
Nodal Point	11FDC Unit 1, Unit 2, Unit 3	
Voltage at the Plant Gate	138kV	

Outage Allowance: 369 hours Scheduled Outage and 405 hours Unscheduled Outage. ALECO shall be responsible for the procurement of Replacement Power during the Outage Allowance. While FDC MISAMIS can assist ALECO in the procurement of Replacement Power beyond the Outage Allowance.

27.5 Billing and Settlement: FDC MISAMIS shall provide a monthly Power Bill to ALECO that shall contain the volume of energy delivered, and the amount of money (in Philippine Peso) due and payable by ALECO every Billing Period both reckoned from the Delivery Point.

The Billing and Settlement between the Parties shall be in accordance with *Schedule 3* of the EPSA.

27.6 Termination: Either Party may terminate the EPSA with immediate effect by serving written notice to the other Party in the event that the other Party breaches any provision of the EPSA and fails to cure such breach within a period of thirty (30) days from receipt of notice of such breach.

27.7 Prompt Payment Discount: FDC MISAMIS shall grant a Prompt Payment Discount, provided that:

- (i) Payment is made within ten (10) days upon the receipt of the electronic power bill; and
- (ii) The PPD shall equal to one percent (1%) of the Capital Recovery Fee (CRF) component of the Generation Charge. No other charge in the billing shall be eligible for the PPD.

The Prompt Payment Discount shall be applied in the immediately succeeding billing.

27.8 Generation Charge:

BASELOAD (FIRM):	RATE IN PHP/KW/MONTH	EQUIVALENT RATE IN PHP/KWH	BILLING DETERMINANT (BD)
Capital Recovery Fee (CRF), Php/kW/month	1,460.00	2.0000	Contract Demand in kW
Fixed O&M (FOM), Php/kW/month	452.08	0.6193	Contract Demand in kW
Variable O&M (VOM), Php/kWh		0.1907	Actual energy consumed or 70% of the Contract Energy in kWh whichever is higher
Fuel Cost (FC), Php/kWh		pass-through	Actual energy consumed in kWh

**Generation Charge = [CRF + FOM + VOM + FC] Charges**

$$\begin{aligned} \text{CRF Charge} &= (1,460.00 \text{ PhP/kW/month}) * \text{BD} \\ \text{FOM Charge} &= (452.08 \text{ PhP/kW/month}) * (\text{PH CPI}_{\text{current}} / \text{PH CPI}_{\text{base}}) * \text{BD} \\ \text{VOM Charge} &= (0.1907 \text{ PhP/kWh}) * (\text{PH CPI}_{\text{current}} / \text{PH CPI}_{\text{base}}) * \text{BD} \\ \text{Fuel Cost} &= [(DCP * \text{ACR or MCR, whichever is lower}) / 1000] * \text{BD} \end{aligned}$$

Where:

BD	= Billing Determinant	kW or kWh
DCP	= Delivered Coal Price	PhP/MT
ACR	= Total Coal Cost (PhP) / Total Coal Consumption (MT)	
	= Actual Fuel Consumption Rate	kg/kWh
	= Total Coal Consumption (MT) / Total Metered Quantity of the Plant (kWh)	
MCR	= Maximum Consumption Rate equal to 0.75, escalated at a rate of 1.5% annually	kg/kWh

Indexation: PH CPI<sub>base</sub> = 125.5 April 2024

Other Pass-Through Charges:

- Market Charges and Fees including Line Rental Charges
- Value Added Tax (VAT) (if applicable)

### PRE-FILING REQUIREMENTS AND OTHER RELATED DOCUMENTS

28. In compliance with the Commissions Prefiling Checklist and in support of the Joint Application, Joint Applicants respectfully submit the following documents:

ANNEXES	DOCUMENTS
"A"	ALECO Board Resolution No. 71, Series of 2025
"B"	ALECO Board Resolution No. 128, Series of 2025

"C"	FDC MISAMIS Secretary's Certificate (authorizing the signing of EPSA)
"C-1"	FDC MISAMIS Secretary's Certificate (authorizing the filing of the Joint Application)
"D"	Emergency Power Supply Agreement
"E"	Notice of Fortuitous Event/Force Majeure to ERC
"F"	Notice of Fortuitous Event/Force Majeure to DOE
"G"	Notice of Fortuitous Event/Force Majeure to NEA
"H"	ALECO Supply-Demand Scenario in accordance with Annex "1" of the Pre-filing Checklist
"I"	ALECO Load Curves in accordance with Annex "2" of the Pre-filing Checklist
"J"	DOE Letter dated 01 March 2024 directing NEA to hold in abeyance the conduct of Joint CSP
"K", series	ALECO letters/invitation requesting proposal for emergency supply
"L"	ALECO Affidavit of Fortuitous Event/Force Majeure
"M"	Executive Summary of EPSA
"N", series	ALECO Articles of Incorporation, ALECO By Laws ALECO Certificate of Franchise ALECO Certificate of Registration
"O", series	FDC MISAMIS Amended Articles of Incorporation, Amended By-Laws, and Amended General Information Sheet for 2023
"P", series	FDC MISAMIS SEC Certificate of Registration with Amendments and Shareholders' Agreement
"Q"	FDC MISAMIS BOI Certificate of Registration with attached Terms and Conditions
"R"	FDC MISAMIS DENR-EMB ECC
"S"	FDC MISAMIS ERC COC No. 17-05-M-00108M
"S-1"	FDC MISAMIS PAO Certificate dated 01 December 2023
"T"	FDC MISAMIS DOE Certificate of Endorsement
"U"	ALECO Power Supply Procurement Plan ("PSPP")
"U-1"	ALECO Distribution Development Plan ("DDP")
"V"	ALECO Performance Assessment
"W"	ALECO Industrial Customers

"X"	FDC MISAMIS Samuel R. Lamorena Verified Certification
"Y", series	Transmission Service Agreement ("TSA") and Metering Services Agreement ("MSA") of ALECO and FDC MISAMIS, respectively
"Z"	FDC MISAMIS Sources of Funds and Financial Plans ( <i>Confidential</i> )
"AA"	Bank Certifications ( <i>Confidential</i> )
"BB"	FDC MISAMIS Generation Rate and Derivation ( <i>Confidential</i> )
"CC"	Basis of Other Charges ( <i>Confidential</i> )
"DD"	Excel File FDC MISAMIS Financial Model ( <i>Confidential</i> )
"EE"	Project Cost and Breakdown of Cost ( <i>Confidential</i> )
"EE-1"	Sample Computation of Power Rates
"FF"	FDC MISAMIS Cash Flow ( <i>Confidential</i> )
"GG", series	FDC MISAMIS Fuel Supply Procurement Process and Fuel Supply Agreements ( <i>Confidential</i> )
"HH"	FDC MISAMIS Sworn Statement on Fuel Concerns
"II"	FDC MISAMIS Relevant Technical and Economic Characteristics of the Generation Capacity ( <i>Confidential</i> )
"JJ"	FDC MISAMIS simulation of no. of operating units to meet MEOT ( <i>Confidential</i> )
"KK"	FDC MISAMIS 2023 Audited Financial Statements (AFS)
"LL"	FDC MISAMIS WESM Registration
"MM"	ALECO WESM Registration
"NN"	Rate Impact Analysis
"OO"	Cost Analysis for ALECO ( <i>Confidential</i> )
"PP"	FDC MISAMIS Write-up
"QQ"	Updated Outages
"RR"	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Bayan of Legazpi and Governor and Sangguniang Panlalawigan of Albay.
"SS"	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Bayan of Legazpi and Governor and Sangguniang

	Panlalawigan of Misamis Oriental where FDC Misamis Power Corporation operates.
"TT"	Affidavit of Publication
"UU"	Complete newspaper issue

**ALLEGATIONS IN SUPPORT OF THE  
MOTION FOR CONFIDENTIAL TREATMENT  
OF INFORMATION**

29. Under the Revised Rules of Practice and Procedure of this Honorable Commission, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential.<sup>2</sup> Pursuant to this, Applicant FDC MISAMIS prays for the confidential treatment of the information contained in the following annexes:

<b>Annex</b>	<b>Documents/Information</b>
"Z"	FDC MISAMIS Sources of Funds and Financial Plans
"AA"	Bank Certifications
"BB"	FDC MISAMIS Generation Rate and Derivation
"CC"	Basis of Other Charges
"DD"	Excel File FDC MISAMIS Financial Model
"EE"	Project Cost and Breakdown of Cost
"FF"	FDC MISAMIS Cash Flow
"GG", series	FDC MISAMIS Fuel Supply Procurement Process
"II"	FDC MISAMIS Relevant Technical and Economic Characteristics of the Generation Capacity
"JJ"	FDC MISAMIS simulation of no. of operating units to meet MEOT
"OO"	Cost Analysis for ALECO

30. Joint Applicants treat the above-mentioned documents, such as related agreements, sources of funds/financial plans, certifications from bank/lending institutions, generation rate and derivation, cash flow, description of power plant, and steam sales agreement, as not generally available to the public on a non-

confidential basis, as the same involve trade secrets reflecting investment and business calculations and the Parties are similarly bound to third parties to keep the information and documents confidential.

31. Also, the Confidential Documents were prepared and developed for the exclusive use of FDC MISAMIS, and are designed for the specific use of the company in its power generation business. Consequently, should the same be disclosed to the public, they could easily be copied or used by FDC MISAMIS's competitors or other entities engaged in the power business for their own benefit, and to the prejudice of FDC MISAMIS.

32. This request is likewise being made by virtue of Section 1 (b), Rule 4 of the ERC Rules of Practice and Procedure wherein Honorable Commission may, upon request of a party and a determination of the existence of conditions which would warrant such remedy, treat certain information submitted to it as confidential.

33. Accordingly, 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".<sup>3</sup>

### PRAYER

**WHEREFORE**, premises considered, Joint Applicants, **ALECO** and **FDC MISAMIS**, respectfully pray to the Honorable Commission, that:

1. An Order be **ISSUED** declaring the Confidential Documents attached hereto as Annexes "**Z**", "**AA**", "**BB**", "**CC**", "**DD**", "**EE**", "**FF**", "**GG**", series, "**II**", "**JJ**", and "**OO**" as confidential information as well as directing that the same be treated with confidentiality and be protected from public disclosure, thereby issuing the corresponding **PROTECTIVE ORDER** in accordance with Section 2, Rule 4 of the *ERC Revised Rules of Practice and Procedure*; and

2. A Decision be immediately issued approving the Joint Application and the EPSA between **ALECO** and **FDC MISAMIS**, including the rates, fees, and charges therein, including the adjustment

mechanism, and authorizing ALECO to charge and collect the fees therein from its customers reckoned from the start of supply by FDC MISAMIS to ALECO under the EPSA.

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

Pasig City, 15 September 2025.

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MCLE Compliance No. VIII – 0011677/ 08 August 2024

## AFFIDAVIT OF POSTING

I, \_\_\_\_\_, of legal age, Filipino and with principal address at \_\_\_\_\_, after having been sworn in accordance with law, hereby depose and state, that:

1. On \_\_\_\_\_, I caused the posting of the ERC Order and Notice of Hearing, including Annex "A" thereof, in the ERC Case No. 2026-044 RC entitled "*In the Matter of the Application for the Approval of the Emergency Power Supply Agreement Between Albay Electric Cooperative, Inc., and FDC Misamis Power Corporation, with Motion for Confidential Treatment of Information, Albay Electric Cooperative, Inc., and FDC Misamis Power Corporation, Applicants.*" at ALECO's bulletin boards, and through its official social media platforms, namely: ALECO Bulletin, Facebook Page, and its website \_\_\_\_\_
2. Further, I also caused posting at ALECO's Bulletin board, the scanned copies of the Jurisdictional requirements for the above-mentioned case, together with the newspaper publications, affidavits of service, and certificates issued by the Office of the Governor, Mayors and Local Legislative Bodies.
3. Attached herewith are the photographs and/or screenshots as evidence of such posting.

I am executing this Affidavit to attest the truthfulness of the foregoing statements, and for whatever legal purpose/s that it may serve.

\_\_\_\_\_  
Position

**SUBSCRIBED AND SWORN** to before me this \_\_\_ day of \_\_\_\_\_, 2026  
at \_\_\_\_\_ Affiant exhibited to me his/her \_\_\_\_\_ with  
Nos. \_\_\_\_\_ issued at \_\_\_\_\_.

**NOTARY PUBLIC**

Doc. No. \_\_\_\_;

Page No. \_\_\_\_;

Book No. \_\_\_\_;

Series of 2026

**CERTIFICATE OF RADIO/ TV BROADCAST**

This is to certify that on \_\_\_\_\_ at \_\_\_\_\_ am and \_\_\_\_\_ at \_\_\_\_\_ the ALECO Public Advisory below has been aired over \_\_\_\_\_, Albay:

On \_\_\_\_\_, ALBAY ELECTRIC COOPERATIVE, INC., AND FDC MISAMIS POWER CORPORATION filed a Joint Application entitled "*In the Matter of the Application for the Approval of the Emergency Power Supply Agreement Between Albay Electric Cooperative, Inc., and FDC Misamis Power Corporation, with Motion for Confidential Treatment of Information, Albay Electric Cooperative, Inc., and FDC Misamis Power Corporation, Applicants.*" The reason of filing of the said Joint Application is seeking the Commission's approval of their Emergency Power Supply Agreement (EPSA), with motion for confidential treatment of information. The Energy Regulatory Commission set the hearings for the said Joint Application on May 13 and 20, 2026 both at 2 o'clock in the afternoon.

Issued this \_\_\_ day of \_\_\_\_\_, 2026 at \_\_\_\_\_, Albay.

\_\_\_\_\_  
Station Manager