REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
Exquadra Tower, Jade Drive, Ortigas Center, Pasig City

IN THE MATTER OF THE APPLICATION FOR APPROVAL OF POWER SUPPLY AGREEMENT BETWEEN TARLAC ELECTRIC INC. (TEI) AND SUAL POWER INC. (SPI) WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION AND PRAYER FOR PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF

ERC Case No. 2026-048RC

April 08, 2026

TARLAC ELECTRIC INC. (TEI) AND SUAL POWER INC. (SPI),
X----------X

JOINT APPLICATION

APPLICANTS TEI and SPI, through their respective counsels, unto this Honorable Commission, respectfully alleges:

1. Applicant **TEI** is a Distribution Utility duly organized and existing under Philippine law with main office address at Mabini St., Brgy. Mabini, Tarlac City; franchised under R.A. No. 10795 to construct, operate and maintain an electric light, heat and power in Tarlac City; and is represented here by its President and General Manager, **VITUS M. ROMERO**.

2. Applicant **SPI** is an Independent Power Producer (IPP) duly organized and existing under Philippine law with main office address at 5th Floor, C5 Road, Bo. Ugong, Pasig City 1604; owner and operator of the **Sual Coal Fired Thermal Power Plant,** located at Brgy. Pangascasan Sual Pangasinan; and represented here by **ELENITA D. GO** and **PAUL BERNARD D. CAUSON**.

3. This application seeks the Commission's approval of the proposed Power Supply Agreement (PSA) executed between TEI and SPI for the supply of baseload energy for a term of 15 contract years, or 180 billing months, commencing on 26 December 2026, the contract capacity of which is more particularly described as follows:

CONTRACT YEAR	PERIOD	CAPACITY IN kW
1	26 Dec. 2026 or upon ERC approval, whichever comes later - 25 Dec. 2027	10,000
2	26 Dec. 2027 - 25 Dec. 2028	15,000
3	26 Dec. 2028 - 25 Dec. 2029	20,000
4	26 Dec. 2029 - 25 Dec. 2030	20,000
5	26 Dec. 2030 - 25 Dec. 2031	20,000
6	26 Dec. 2031 - 25 Dec. 2032	25,000
7	26 Dec. 2032 - 25 Dec. 2033	25,000
8	26 Dec. 2033 - 25 Dec. 2034	25,000
9	26 Dec. 2034 - 25 Dec. 2035	25,000
10	26 Dec. 2035 - 25 Dec. 2036	25,000
11	26 Dec. 2036 - 25 Dec. 2037	25,000
12	26 Dec. 2037 - 25 Dec. 2038	25,000
13	26 Dec. 2038 - 25 Dec. 2039	25,000
14	26 Dec. 2039 - 25 Dec. 2040	25,000
15	26 Dec. 2040 - 25 Dec. 2041	25,000

4. On 27 June 2025, the Board of Directors of TEI, at its special meeting where there was a quorum throughout, in compliance with DOE Circular No. 2023- 06-0021 and ERC Res. No. 16, Series of 2023, adopted a resolution creating a Bids and Awards Committee (BAC) for the competitive procurement of Baseload Power Supply Agreement for its Captive Market.

5. The TEI Board appointed the following persons to the BAC, namely: Manolito R. Ocampo as Chairman; Maria Elisa B. Abaya as Vice Chairperson; and Ranulfo M. Ocampo, Floriza D. Forlales and Henry John Sacaguing as BAC Members. The Technical Working Group (TWG) created to assist the BAC are Arvin S. Aguilar as Head, and Joy V. Dela Cruz, and Alvin T. Mercado as members. The Secretariat appointed Andrea Nicole L. Macam as Head, and Paula Alyssa B. Ramos as member.

6. Accordingly, the TEI BAC, Secretariat and TWG, constituted themselves and proceeded to develop the pertinent CSP documents, denominated as TEI-CSP-OT-2025-001-R1.

7. On 19 August 2025, the Department of Energy (DOE), upon application of TEI BAC, issued a Certificate of Conformity numbered ***DOEEPIMB-COC-2025-08-008***.

8. Pursuant thereto, TEI BAC commenced the conduct of a CSP for the procurement of baseload power supply for its Captive Market by causing the publication of the **Invitation to Bid** in a newspaper of general circulation, coupled with its posting at TEI's website.

9. In response thereto, TEI BAC received the following Expressions of Interest from the following entities:

    a. Sual Power Inc. (SPI)
    b. Panay Energy Development Corporation (PEDC)
    c. Therma South Inc. (TSI)
    d. Therma Luzon Inc. (TLI)
    e. Energy Development Corporation (EDC)
    f. Therma Visayas Inc. (TVI); and
    g. Anda Power Corporation (APC)

10. After a series of pre-bid conferences and issuance of several bid bulletins, the bid submission deadline was set on 21 November 2025.

11. On 21 November 2025, only three (3) entities went on to submit their bids, namely:

    a. Sual Power Inc. (SPI)
    b. Therma Visayas Inc. (TVI); and
    c. Anda Power Corporation (APC)

12. TEI BAC evaluated the bids received and came out with the following results:

COMPARISON OF BID PROPOSALS

BID PROPOSALS			
Item	*Bidder A*	*Bidder S*	*Bidder T*
CRF	2.3481	1.7000	2.5138
FOMF Fixed	-	0.3000	1.0533
FOMF PhCPI	0.5000	-	-
VOMF Fixed	-	0.1000	-
VOMF PhCPI	0.0838	-	-
VOMF USCPI-$	-	-	-
FC US$	2.6203	-	-
FC PhP	0.4034	2.6100	1.5000
FC total	3.0237	2.6100	1.5000
TGC (VATinc)	6.6703	5.2752	5.6752
LR (VATinc)	(0.0018)	0.1411	(0.3147)
DISCOUNTS (VATinc)	0.0000	(0.4609)	(0.2705)
HLR-100% (VATinc)	6.6685	4.9554	5.0900
LCOE	7.5884	4.9554	5.0900
ACPy11	8.0818	4.9554	5.0900
Wt Average	7.3685	4.9554	5.0900
Risk Control Discount	0.0000	(0.1000)	(0.1000)
Discounted Wt Average	7.3685	4.8554	4.9900
Rank	3	1	2
LRCAP (VATinc)		0.2757	

13. Having found SPI to have submitted the lowest complying bid, TEI BAC proceeded to negotiate with SPI on the salient terms and conditions of the PSA.

14. On 11 December 2025, TEI BAC recommended awarding the PSA to SPI. On 19 December 2025, the TEI Board approved the recommendation of the TEI BAC to award the PSA to SPI.

15. On 06 January 2026, TEI BAC issued a revised Notice of Award to SPI with a directive to comply with the posting of a Performance Bond.

16. On 14 January 2026, TEI and SPI executed the proposed Power Supply Agreement, the salient provisions of which are cited below:

> **NOMINATED FACILITY** - The nominated facility shall be the 1 x 647.020 MW (Unit 1) and 1 x 647.020 MW (Unit 2) of the Sual Power Coal-Fired Thermal Power Plant, located in Brgy. Pangascasan, Sual, Pangasinan.
>
> **CONTRACT TERM** - This Agreement shall take effect immediately from Execution Date and shall remain in force and effect for fifteen (15) years or one hundred eighty (180) Billing Periods, from 26 December 2026, or upon ERC Approval, whichever comes later, but in no event shall it extend beyond 25 December 2041, and unless sooner terminated in accordance with

CONTRACT CAPACITY

CONTRACT YEAR	PERIOD	CAPACITY IN kW
1	26 Dec. 2026 or upon ERC approval, whichever comes later - 25 Dec. 2027	10,000
2	26 Dec. 2027 - 25 Dec. 2028	15,000
3	26 Dec. 2028 - 25 Dec. 2029	20,000
4	26 Dec. 2029 - 25 Dec. 2030	20,000
5	26 Dec. 2030 - 25 Dec. 2031	20,000
6	26 Dec. 2031 - 25 Dec. 2032	25,000
7	26 Dec. 2032 - 25 Dec. 2033	25,000
8	26 Dec. 2033 - 25 Dec. 2034	25,000
9	26 Dec. 2034 - 25 Dec. 2035	25,000
10	26 Dec. 2035 - 25 Dec. 2036	25,000
11	26 Dec. 2036 - 25 Dec. 2037	25,000
12	26 Dec. 2037 - 25 Dec. 2038	25,000
13	26 Dec. 2038 - 25 Dec. 2039	25,000
14	26 Dec. 2039 - 25 Dec. 2040	25,000
15	26 Dec. 2040 - 25 Dec. 2041	25,000

DELIVERY DATE - The Seller shall commence delivery of Contract Capacity and Bilateral Contract Quantity to Buyer, and Buyer shall commence purchase from the Seller, of the Contract Capacity and Bilateral Contract Quantity on Delivery Date. The Delivery Date shall be a date, after Effective Date, reckoned from the later of **26 December 2026** or the next immediate 26th Day of the calendar month following receipt by Buyer of a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued, from the ERC.

TARIFF STRUCTURE

Table 1 – **Monthly Payment of Generation Rate Components**

Capital Recovery Fee ("CRF")	PhP 1.7000/kWh
Fixed Operations & Maintenance Fee ("FOM")	PhP 0.3000/kWh
Variable Operations & Maintenance Fee ("VOM")	PhP 0.1000/kWh
Fuel Fee ("FF")	PhP 2.6100/kWh
Total Generation Charges ("TGC")	PhP 4.7100/kWh

NOTE: The Buyer shall be responsible to pay all other applicable charges under this Agreement on top of the Total Generation Charges.

TGCP = MCRFP+ MFOMP + MVOMP + MFFP + VAT

Where:

***TGCP** = Total Generation Charges in PhP for each relevant Billing Period*

Where:

TGCP = *Total Generation Charges in PhP for each relevant Billing Period*

MCRFP = Monthly Capacity Recovery Fee Payment shall be computed as follows:

$$MCRFP = \frac{CRF}{CUF} \times BCQ$$

Where:

MCRFP = *the amount payable by the Buyer for CRF, in PhP, during the Billing Period*

CRF = *the Capital Recovery Fee at 100% CUF, in PhP/kWh, contained in Table 1 above*

BCQ = *refers to the energy, in kWh, declared on behalf of the Buyer to the WESM for every Trading Interval in the WESM-compliant billing meters of the Buyer, aggregated per Billing Period and in all cases, not to exceed the Contract Capacity as specified in Schedule 2.*

CUF = *Capital Utilization Factor applicable for the current billing period shall be calculated using the following formula.*

$$CUF = \frac{BCQ}{CC \times (H_r - H_o - H_{FM})}$$

Where:

CUF = *Capacity Utilization Factor applicable for the current billing period*

BCQ = *As previously defined*

CC = *The Contract Capacity, in kW, as defined in Schedule 2*

H_r = *The number of hours in the relevant Billing Period*

H_o = *The equivalent hours of Scheduled and Unscheduled Outages in the Billing Period within Allowed Outage*

H_{FM} = *The equivalent hours of actual outages due to Force Majeure in the relevant Billing Period*

Note that the applicable CRF based on the actual CUF shall be rounded off to the nearest four (4) decimals.

MFOMP = Monthly Fixed Operation and Maintenance Payment shall be computed as follows:

$$MFOMP = \frac{FOM}{CUF} \times BCQ$$

Where:

***MFOMP** = the amount payable by the Buyer for FOM, in PhP, during the Billing Period*

***FOM** = the Fixed Operations and Maintenance Fee at 100% CUF, in PhP/kWh, contained in Table 1 above*

***CUF** = as previously defined CUF formula*

***BCQ** = as previously defined*

Note that the applicable FOM based on the actual CUF shall be rounded off to the nearest four (4) decimals.

MVOMP = Monthly Variable Operation and Maintenance Payment shall be computed as follows:

$$MVOMP = VOM * BCQ$$

Where:

***MVOMP** = the amount payable by the Buyer for VOM, in PhP, during the Billing Period*

***VOM** = the Variable Operations and Maintenance Fee, in PhP/kWh, contained in Table 1 above*

***BCQ** = as previously defined*

MFFP = Monthly Fuel Fee Payment shall be computed as follows:

$$MFFP = FF * BCQ$$

Where:

***MFFP** = the amount payable by the Buyer for Fuel Fee, in PhP, during the Billing Period*

***FF** = the Fuel Fee, in PhP/kWh, contained in Table 1 above*

***BCQ** = as previously defined*

PROMPT PAYMENT DISCOUNT - The Seller shall extend PhP0.1700/kWh to Buyer as prompt payment if 1) payment is made within ten (10)Days from receipt of Seller's power bill invoice; 2) Buyer is not in default of all its obligations under this Agreement; and 3) Buyer has submitted all required BIR tax certificates for taxes withheld, in accordance with applicable law; and 4) Any applicable tax certificate exemptions have been provided.

RENEWABLE ENERGY CERTIFICATES (RECs) - Seller shall grant at no additional cost to the credit of the Buyer RENEWABLE ENERGY CERTIFICATES (RECs) following the procedure below:

a. 1 REC for every 1 MWH supplied by Seller, including Replacement Power provided by Seller for outage beyond the Allowed Outage, to be accounted every Billing Period.

b. RECs shall be equivalent to the energy delivered to Buyer and declared to WESM by Seller as Bilateral Contract Quantity, shall be provided by Seller to Buyer, reckoned annually.

LINE RENTAL CAP AND WESM CHARGES - Line Rental charges up to a maximum of PhP0.2757/kWh ("LR Cap") as billed by the IEMOP to the Buyer shall be for the account of the Buyer. Line Rental charges in excess of the LR Cap shall be for the account of the Seller. On a monthly basis, Buyer shall advance the Line Rental charges for each Billing Period to IEMOP. The computed and verified Line Rental amount for reimbursement by Seller shall be reflected in the next power bill invoice as an offset against the amount due from Buyer.

17. Using TEI's blended generation charge for 2027, a rate impact simulation of the proposed PSA showed a potential reduction of as much as **Php0.1499/kWh** in the Generation Charge, to wit:

TARLAC ELECTRIC INC.
Rate Impact
Breakdown of Generation Cost

Forecasted - w/o SPI	% of Total kWh Purchased	kWh Purchased	Generation Cost	Average Generation Cost (PhP/kWh)
GNPower Mariveles Energy Center Ltd. (Bilateral Contract)	59.79%	278,433,830.95	1,773,564,857.48	6.3698
Trust Power Corporation (Bilateral Contract)	6.58%	30,642,715.65	161,707,739.03	5.2772
WESM	32.83%	152,867,296.18	804,096,112.91	5.2601
Net-metering	0.81%	3,759,144.94	22,170,297.03	5.8977
Others:				
Prompt Payment Discount 50%			*(13,186,255.83)*	*(0.0283)*
Pilferage Recoveries			*(14,817.85)*	*(0.0000)*
Pass Through REC Cost			*21,160,656.00*	*0.0454*
Total	**100%**	**465,702,987.72**	**2,769,498,588.77**	**5.9469**

Forecasted - w/ SPI	% of Total kWh Purchased	kWh Purchased	Generation Cost	Average Generation Cost (PhP/kWh)
GNPower Mariveles Energy Center Ltd. (Bilateral Contract)	59.79%	278,433,830.95	1,773,566,890.50	6.3698
Trust Power Corporation (Bilateral Contract)	6.58%	30,642,715.65	161,707,739.03	5.2772
Sual Power Inc (Bilateral Contract)	18.81%	87,600,000.00	412,596,000.00	4.7100
WESM	14.01%	65,267,296.18	358,224,813.03	5.4886
Net-metering	0.81%	3,759,144.94	21,685,735.87	5.7688
Others:				
Prompt Payment Discount 50%			*(28,078,255.36)*	*(0.0603)*
Pilferage Recoveries			*(14,817.85)*	*(0.0000)*
Pass Through REC Cost			-	-
Total	**100%**	**465,702,987.72**	**2,699,688,105.22**	**5.7970**

18. The proposed PSA will not result in over contracting for TEI as its contracted power supply is way below the forecasted energy requirements of its Captive Market:

TEI CAPTIVE MARKET SUPPLY-DEMAND SCENARIO

Particulars	ERC Case No.	Current Year	1	2	3	4	5
		2026	2027	2028	2029	2030	2031
Captive Market Annual Energy Requirement (kWh)		454,023,804	465,702,988	488,950,527	509,629,997	524,199,463	547,291,303
GMEC (Coal)	2007-121 RC	291,196,862	292,055,266	292,998,368	39,583,248	0	0
TPC (Bunker-C)	2008-060 RC	5,426,366	0	0	0	0	0
TrustPower (Solar)	2026-001 RC	30,788,187	30,788,187	30,788,187	30,788,187	30,788,187	30,788,187
SPI (Coal)	For Filing		87,600,000	131,760,000	175,200,000	175,200,000	175,200,000
Total		**327,411,415**	**410,443,453**	**455,546,555**	**245,571,435**	**205,988,187**	**205,988,187**
Surplus/(Deficit)*		(126,612,389)	(55,259,534)	(33,403,972)	(264,058,561)	(318,211,276)	(341,303,116)
Ratio of Contracts to Captive Market Annual Energy Requirements (%)		72.11%	88.13%	93.17%	48.19%	39.30%	37.64%

** Deficit in power supply is automatically procured on spot from WESM*

Particulars	ERC Case No.	6	7	8	9	10
		2032	2033	2034	2035	2036
Captive Market Annual Energy Requirement (kWh)		565,600,754	586,467,268	607,343,292	626,492,137	595,836,929
GMEC (Coal)	2007-121 RC	0	0	0	0	0
TPC (Bunker-C)	2008-060 RC	0	0	0	0	0
TrustPower (Solar)	2026-001 RC	30,788,187	30,788,187	30,788,187	30,788,187	30,788,187
SPI (Coal)	For Filing	219,600,000	219,000,000	219,000,000	219,000,000	219,600,000
Total		**250,388,187**	**249,788,187**	**249,788,187**	**249,788,187**	**250,388,187**
Surplus/(Deficit)*		(315,212,566)	(336,679,081)	(357,555,105)	(376,703,950)	(345,448,742)
Ratio of Contracts to Captive Market Annual Energy Requirements (%)		44.27%	42.59%	41.13%	39.87%	42.02%

*Deficit in power supply is automatically procured on spot from WESM

Particulars	ERC Case No.	11	12	13	14	15
		2037	2038	2039	2040	2041
Captive Market Annual Energy Requirement (kWh)		616,701,934	638,297,590	660,649,483	683,784,093	707,728,831
GMEC (Coal)	2007-121 RC	0	0	0	0	0
TPC (Bunker-C)	2008-060 RC	0	0	0	0	0
TrustPower (Solar)	2026-001 RC	30,788,187	30,788,187	30,788,187	30,788,187	30,788,187
SPI (Coal)	For Filing	219,000,000	219,000,000	219,000,000	219,600,000	219,000,000
Total		**249,788,187**	**249,788,187**	**249,788,187**	**250,388,187**	**249,788,187**
Surplus/(Deficit)*		(366,913,747)	(388,509,403)	(410,861,296)	(433,395,906)	(457,940,643.81)
Ratio of Contracts to Captive Market Annual Energy Requirements (%)		40.50%	39.13%	37.81%	36.62%	35.29%

*Deficit in power supply is automatically procured from on spot from WESM

19. Applicants TEI and SPI submit the following documents in support of this application:

Annex	Name of Document
	ROS REQUIREMENTS
01	Power Supply Agreement between TEI and SPI
02 and Series	Amended By-Laws, Articles of Incorporation ("AOI"), General Information Sheet ("GIS") of TEI
03 and Series	Write-Up on the Non-Applicability of the following documents of TEI. Certification of the list of Board Directors of TEI
04 and Series	AOI, By-Laws, GIS of SPI
05	Certification on Documents Previously Submitted by SPI.

06	Securities and Exchange Commission ("SEC") Certificate of SPI.
16	Demand Side Management of TEI
18	Supply Demand Scenario, Load Forecast Projections, DDP and PSPP of TEI.
19	Single Line Diagram of TEI
20	Technical Performance Assessment
21	TEI Potential CCs and GEOP End users
22 and Series	Transmission Service Agreement of SPI with NGCP Metering Service Agreement of TEI Transmission Service Agreement of TEI with NGCP
23D	Operation and Maintenance Agreement of SPI (***confidential***)
24	Executive Summary of the PSA of TEI-SPI
25 and Series	Generation Rate and Derivations including cost analysis (***confidential***) Bid Forms (***confidential***)
26D	Sample Bill
26D-02	Rate Impact Analysis
31 and Series	Schedules and Unscheduled Outages of SPI Write up for the Three Years Planned Maintenance Program of SPI
32 and Series	Audited Financial Statement of SPI Write-up on the Non-Applicability of the Minimum Energy Off-Take of under the TEI-SPI PSA Write up on the Non-Applicability of the Distribution Wheeling Service Agreement of TEI WESM Registration of TEI
LEGAL REQUIREMENTS	
A	Secretary's Certificates of SPI
B	Board Resolutions of TEI
C	Documents related to the conducts of the Competitive Selection Process ("CSP")

ALLEGATIONS IN SUPPORT OF THE MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

1. SPI respectfully highlights that its own documentary evidence, **Annexes "23D" and "25 and series"** (collectively, the "Confidential Documents") contain numbers, methodology, and calculations such as debt or equity ratio, capital costs, weighted average cost of capital, and fuel cost that provide valuable information and insight on how SPI arrives at its power generation rate and/or on SPI's trading in the WESM.

2. SPI therefore respectfully submits the Confidential Documents are considered "trade secrets", which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

3. Section 1, Rule 4 of the Revised ERC Rules of Practice and Procedure (the "Revised ERC Rules") provides that this Honorable Commission may, upon request of a party and determination of the existence of conditions, which would warrant such remedy, treat certain information submitted to it as confidential. Accordingly, SPI respectfully prays for the issuance of a protective order declaring the foregoing documents as confidential considering that SPI intends to present them as evidence in the instant Application.

4. The data contained in the Confidential Documents constitute "trade secrets" of SPI. As such, SPI has actual and valuable proprietary interest to protect with respect to such information. The undue disclosure of the information contained in these documents will seriously prejudice the competitiveness of SPI.

A. SPI respectfully highlights that its own documentary evidence, **Annexes "23D" and "25 and series"** contains numbers, methodology, and calculations such as debt or equity ratio, capital costs, weighted average cost of capital, and fuel cost that provide valuable information and insight on how TEI arrives at its power generation rate and/or on SPI's trading in the WESM.

B. SPI therefore respectfully submits that **Annexes "23D" and "25 and series"** falls within the bounds of proprietary "trade secrets", which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

C. Rule 4, Section 1 of the Revised ERC Rules states that a

party may request before this Honorable Commission that certain information submitted to it be treated as confidential upon its determination of the existence of conditions which would warrant such remedy. Pursuant to such provision, SPI respectfully prays for the issuance of a protective order declaring **Annexes "23D" and "25 and series"** as confidential information, since SPI intends to present them as evidence in the instant Application.

D. The data contained in **Annexes "23D" and "25 and series"** constitutes "trade secrets" of SPI. Thus, SPI has actual and valuable proprietary interest to protect with respect to such information. If the information contained in these documents is unduly disclosed, it will seriously prejudice the competitiveness of SPI.

5. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*,[1] the Supreme Court had the occasion to explain the definition of "trade secrets" and the great extent to which the same are protected under our laws, thus:

> "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

[1] G.R. No. 172835, 13 December 2007.

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 independent source."[2]

6. In *Philpotts vs. Philippine Manufacturing Company*[3] and *Garcia vs. Board of Investments*,[4] the Supreme Court pronounced that the confidential nature of trade secrets protects such from disclosure even in the face of the right of inspection given to stockholders or the constitutional right to information.

7. Moreover, in the Decision in 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)*", the Honorable Commission categorically stated that formulas and pricing structures of a generation company must be treated as confidential and may not be publicly disclosed, to wit:

> "In the case of PNOC RC, the documents sought to be protected from disclosure contains formula and pricing structures used in arriving at their proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. **In the electric power industry w(h)ere 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.**"[5]

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2 Emphasis and underscoring supplied.
3 G.R. No. L-15568, 8 November 1919.
4 G.R. No. 88637, 7 September 1989.
5 Emphasis and underscoring supplied.

8. Thus, the Honorable Commission has recognized the importance of maintaining pricing structures as confidential in order to ensure the competitiveness of the generation sector. Information which falls within the definition of a trade secret as defined by jurisprudence, is information that merits the confidential treatment provided under Rule 4, Section 1 of the Revised ERC Rules. The Confidential Documents should therefore be entitled to the protection of confidential information provided under Rule 4 of the Revised ERC Rules.

9. Accordingly, one (1) copy of each of the foregoing confidential documents is placed in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential."

PRAYER

WHEREFORE, premises considered, the Applicants respectfully pray that the Honorable Commission:

1) GRANT a provisional authority and/or interim relief to implement the proposed Power Supply Agreement (Annex "01") upon filing of this joint application;

2) Upon due notice and hearing, approve the proposed Power Supply Agreement (Annex "01"); and

3) Treat the Applicants' Confidential Documents marked as **Annexes "23D" and "25 and series"** submitted in a sealed envelope and the information contained therein as confidential information and prescribe guidelines for the protection thereof.

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

RESPECTFULLY SUBMITTED this 30 March 2026 at Pasig City.

TARLAC ELECTRIC INC.

By:

RANULFO M. OCAMPO
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PTR No. 10434217 / 06 January 2026 / Marikina City | MCLE No. VIII-0010986 valid until 14 April 2028
Roll No. 33872 | IBP Lifetime No. 014284 | ERC Registration ER No. 2022-0481-3

SUAL POWER INC.

By:

[redacted]

JUPITER M. CABAGUIO
5*th* Floor, C5 Office Building Complex
#100 E. Rodriguez, Jr. Ave., C5 Road, Bo. Ugong,
Pasig City 1604, Metro Manila
Telephone No. (02) 5317 1000
/ jcabaguio@smcgph.sanmiguel.com.ph
PTR No. 3977997 / 05 January 2026 / Pasig City
IBP Lifetime No. 06372 / Makati Chapter
MCLE Compliance No. VIII – 0032570 valid until 14 April 2028
Roll No. 47112

AVELINO G. CEDO III
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#100 E. Rodriguez, Jr. Ave., C5 Road, Bo. Ugong,
Pasig City 1604, Metro Manila
Telephone No. (02) 5317 1000 / acedoiii@smcgph.sanmiguel.com.ph
PTR No. 3977996 / 05 January 2026 / Pasig City
IBP Lifetime No. 010380 / PPLM Chapter
MCLE Compliance No. VIII - 0029077 valid until 14 April 2028
Roll No. 54500

[redacted]

JULIETA B. ESTAMO
5th Floor, C5 Office Building Complex,
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Pasig City 1604, Metro Manila
Telephone No. (02) 5317 1000 / jestamo@smcgph.sanmiguel.com.ph
PTR No. 3978000 / 05 January 2026 / Pasig City
IBP Invoice No. 536845 / 07 January 2026 /
Central Luzon Bulacan Chapter
MCLE Compliance No. VIII-0016943 valid until 14 April 2028
Roll No. 39024

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 Tarlac Electric Inc. ("TEI") 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 MAR 30 2026 at Pasig City.

[redacted]
ELENITA D. GO
Affiant

SUBSCRIBED AND SWORN to before me this MAR 30 2026 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.: 368;
Page No.: 75;
Book No.: V;
Series of 2025.

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30 DOCUMENTARY 30
MAR 30 2026

RUDILICIA P. ESPIRITU
NOTARY PUBLIC
ROLL NO. 53391
PASIG CITY, PHILIPPINES

[redacted]
RUDILICIA P. ESPIRITU
Commision No. 274 (2025-2026)
Notary Public for Pasig City
Until December 31, 2026
5th Floor, C5 Office Building Complex
#100 E Rodriguez Jr. Ave., C5 Road,
Bo. Ugong, Pasig City 1604, Metro Manila
Roll No. 53391
PTR No. 3977998; January 5, 2026 / Pasig City
IBP Life Member Roll No. 13322 / Camarines Sur Chapter
MCLE Compliance No. VIII-0019485; Valid until April 14, 2028

REPUBLIC OF THE PHILIPPINES)
Tarlac City) S.S.

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, VITUS M. ROMERO, depose and state under oath that:

1. I am the President and General Manager of Tarlac Electric Inc. (TEI).

2. I have been authorized by TEI to cause the joint filing with SUAL POWER INC. (SPI) of the foregoing application before the Energy Regulatory Commission (ERC) for the approval of the Power Supply Agreement (PSA).

3. I have read and verified the application and attest that all the allegations therein are true and correct based on my own knowledge and authentic records of TEI.

4. I further attest that all documents electronically submitted herewith are compliant of ERC Resolution No. 09, Series of 2020 and are complete and true copies of the original documents and annexes.

5. This application is not filed to harass, cause unnecessary delay, nor needlessly increase the cost of litigation and that the factual allegation therein have evidentiary support or, if specifically, so identified, will likewise have evidentiary support after a reasonable opportunity for discovery.

6. I certify that no action or proceeding involving the same issues are pending before the Supreme Court, the Court of Appeals or any other tribunal or agency. If I should thereafter learn that such action or proceeding is pending before the Supreme Court, the Court of Appeals or any other tribunal or agency, I undertake to report such fact before this Honorable Commission within five (5) days from knowledge.

[redacted]
VITUS M. ROMERO
Affiant

JURAT

SUBSCRIBED AND SWORN to before me this 30 MAR 2026 day of ____, affiant exhibited to me his Driver's License No. C11-86-016569 with expiry date on 25 September 2034.

[redacted]
ATTY. ROMEO T. DIZON
Notary Public
UNTIL DECEMBER 31, 2026 APPPOINTMENT NO. N-434-24-e
PTR NO. 7243256/01-05-26
IBP LIFETIME NO. 011736
ROLL OF ATTY. NO. 24425
MABINI, TARLAC CITY

Doc. No. 112;
Page No. 24;
Book No. II;
Series of 2026.