

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Exquadra Tower  
Jade Drive, Ortigas Center  
Pasig City

IN THE MATTER OF THE  
APPLICATION FOR APPROVAL  
OF THE ANCILLARY SERVICES  
PROCUREMENT AGREEMENT  
BETWEEN THE NATIONAL GRID  
CORPORATION OF THE  
PHILIPPINES AND PANASIA  
ENERGY, INC., WITH PRAYER  
FOR THE ISSUANCE OF  
PROVISIONAL AUTHORITY AND  
MOTION FOR CONFIDENTIAL  
TREATMENT OF INFORMATION

ERC CASE NO. 2026-086 RC

NATIONAL GRID CORPORATION  
OF THE PHILIPPINES AND  
PANASIA ENERGY, INC.,

June 17, 2026

*Applicants*

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## APPLICATION

Applicants **NATIONAL GRID CORPORATION OF THE PHILIPPINES (“NGCP”)** and **PANASIA ENERGY, INC. (“PANASIA”)** herein after referred to as **“Co-Applicant”** (collectively referred to as the **“Applicants”** or the **“Parties”**), by their respective counsel, respectfully state:

### I. NATURE OF THE CASE

1. This Application is for the approval of the Ancillary Services Procurement Agreement (**“ASPA”** or **“Agreement”**) dated 18 May 2026,<sup>1</sup> entered into by the NGCP and Co-Applicant, pursuant to Department of Energy (**“DOE”**) Department Circular No. (DC) 2021-10-0031 (the **“AS-CSP Circular”**) prescribing the conduct of Ancillary Services Competitive Selection Process (**“AS-CSP”**); in relation to the Ancillary Services – Cost Recovery Mechanism (**“AS-CRM”**)

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<sup>1</sup> A copy of the Ancillary Services Procurement Agreement (ASPA) dated 18 May 2026 is attached as Annex “A”

promulgated by the Energy Regulatory Commission (“**ERC**”) in its Decision dated 3 October 2007 in ERC Case No. 2006-049 RC.

## **II. THE PARTIES**

2. Applicant NGCP is a corporation created and existing under the laws of the Philippines, with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City. It holds a congressional franchise granted under Republic Act No. 9511,<sup>2</sup> and is authorized to engage in the business of conveying or transmitting electricity through high-voltage back-bone systems of interconnected transmission lines, substations and related facilities, and for other purposes. The NGCP is authorized to conduct activities necessary to support the safe and reliable operation of the transmission system.

3. Co-Applicant PANASIA is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal place of business at 3204-B, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Brgy. San Antonio, Pasig City.

4. Co-Applicant PANASIA is the owner and operator of a power plant, the Bataan Combined Cycle Power Plant (BCCPP), with a rated capacity of 668.680 MW and a dependable capacity of 537 MW continuous output at 60Hz, including required ancillaries and spare parts, located at Brgy. Luz, Limay, Bataan (the “**Generation Facility**”), which was certified and accredited by the NGCP as capable of providing Regulating Reserve (RR), Contingency Reserve (CR), Dispatchable Reserve (DR), and Reactive Power Support (RPS).

5. NGCP and Co-Applicant PANASIA may be served with orders, notices, pleadings and other legal processes through their respective counsels at the addresses indicated below.

## **III. ANTECEDENT FACTS**

### **a. Basis of Ancillary Services Procurement**

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<sup>2</sup> An Act Granting the National Grid Corporation of the Philippines a Franchise To Engage in the Business of Conveying or Transmitting Electricity Through High Voltage Back-Bone System of Interconnected Transmission Lines, Substations and Related Facilities, and for other Purposes.

6. Republic Act No. 9136, also known as the Electric Power Industry Reform Act (“**EPIRA**”), provides that it is the responsibility of NGCP to ensure and maintain the reliability, adequacy, security, stability and integrity of the nationwide electrical grid in accordance with the performance standards for its operations and maintenance, as set forth in the Philippine Grid Code (“**PGC**”),<sup>3</sup> adopted and promulgated by the ERC, and to adequately serve generation companies, distribution utilities and suppliers requiring transmission service and/or ancillary services (“**AS**” or “**Ancillary Services**”)<sup>4</sup> through the transmission system.<sup>5</sup>

7. “Ancillary Services” is defined in Section 4 (b) of the EPIRA as referring *“to those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice and the Grid Code to be adopted in accordance with this Act.”* These services are essential in ensuring reliability in the operation of the transmission system and consequently, in the reliability of the electricity supply in the Luzon, Visayas, and Mindanao grids.

8. Similarly, the PGC provides that NGCP is responsible for determining, acquiring, and dispatching the capacity needed to supply the required Grid AS and for developing and proposing Wheeling Charges and AS tariffs of the ERC.<sup>6</sup>

9. To implement and regulate the procurement of AS, the ERC approved the Ancillary Services Procurement Plan (“**ASPP**”) through its Order dated 9 March 2006 in ERC Case No. 2002-253 and the Ancillary Services-Cost Recovery Mechanism (“**AS-CRM**”) through its Decision dated 3 October 2007 in ERC Case No. 2006-049 RC.

10. The NGCP certified that the six (6) Gas Turbine (GT) units of Co-Applicant’s Generation Facility have met and complied with the Standard Ancillary Services Technical Requirements of the ASPP and are capable of providing Regulating Reserve (RR), Contingency Reserve (CR), Dispatchable Reserve (DR), and Reactive Power Support (RPS).<sup>7</sup>

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<sup>3</sup> ERC Resolution No. 22, series of 2016, entitled “A Resolution Approving the Publication of the Approved Philippine Grid Code 2016 Edition”. See also Section 9(c), EPIRA.

<sup>4</sup> Section 4(b), EPIRA. “Ancillary Services” refer to those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice and the Grid code to be adopted in accordance with this Act.

<sup>5</sup> Section 9(d), EPIRA.

<sup>6</sup> Chapter 6, Grid Operations (“**GO**”), GO Section 6.3.1.2, PGC.

<sup>7</sup> Copy of NGCP Accreditation Certificate No. 2025-L020 with test report is attached as Annex “**B**”  
Copy of NGCP Accreditation Certificate No. 2025-L030 with test report is attached as Annex “**B-1**”

**b. Competitive Selection Process**

11. On 04 October 2021, the DOE issued the aforesaid AS-CSP Circular providing the policy for the conduct of a CSP for the procurement of AS by the System Operator (NGCP). Among the policies set by the AS-CSP Circular was the creation of an independent Third-Party Bids and Awards Committee (TPBAC) to spearhead and manage the CSP.

12. Thus, NGCP sent letter dated 24 June 2024<sup>8</sup> informing DOE of the constitution of the TPBAC for the second AS-CSP. Subsequently, the DOE acknowledged the establishment of such TPBAC in its letter dated 13 August 2024<sup>9</sup>.

13. Likewise, in compliance with the AS-CSP Circular, NGCP submitted its Terms of Reference (TOR) and Instruction to Bidders (ITB) to DOE. In DOE's letter dated 06 February 2026,<sup>10</sup> the DOE approved said TOR<sup>11</sup> and ITB<sup>12</sup>, and instructed NGCP to proceed with the publication and posting of the same pursuant to Section 7.5 of the AS-CSP Circular.

14. On 12 February 2026, the TPBAC approved its Notice of Invitation to Bid<sup>13</sup> informing the public of the pending AS-CSP for RR, CR, DR, RPS and BSS; and inviting all interested grid-connected merchant plants and Independent Power Producers to apply for eligibility and participate in the competitive bidding for the procurement of AS. The Notice of Invitation to Bid likewise provided interested grid-connected merchant plants a copy of the DOE approved TOR and Instruction to Bidders.

15. On 16 February 2026, NGCP posted, in its website<sup>14</sup>, the Notice of Invitation to Bid. The same Notice of Invitation to Bid was likewise published with the *Malaya Business Insight*<sup>15</sup> and the

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<sup>8</sup> NGCP Letter dated 20 June 2024 informing DOE of the establishment of TPBAC is attached as Annex "C"

<sup>9</sup> DOE Letter dated 13 August 2024 acknowledging the establishment of TPBAC is attached as Annex "C-1"; DOE Letter dated 30 May 2025 instructing NGCP to proceed with the AS-CSP is attached as Annex "C-2"

<sup>10</sup> DOE Letter dated 06 February 2026 approving the Terms of Reference and Instruction to Bidders is attached as Annex "D"

<sup>11</sup> DOE Approved Terms of Reference is attached as Annex "D-1"

<sup>12</sup> DOE Approved Instruction to Bidders is attached as Annex "D-2"

<sup>13</sup> Notice of Invitation to Bid is attached as Annex "D-3"

<sup>14</sup> Other means of publication for the Notice of Invitation to Bid is attached as Annex "E"

<sup>15</sup> The 18 February 2026 edition of the *Malaya Business Insight* where the Notice of Invitation to Bid is attached as Annex "F" and the Affidavit of Publication issued by the *Malaya Business Insight* is likewise attached as Annex "F-1".

*Philippine Star*<sup>16</sup> on 18 February 2026 and with the *Business Mirror*<sup>17</sup> and the *Manila Bulletin*<sup>18</sup> on 24 February 2026.

16. On 26 February 2026, in further compliance with the AS-CSP Circular to ensure an open, transparent, and effective conduct of CSP, the TPBAC issued its invitation to Observers including the Honorable Commission and DOE.<sup>19</sup>

17. On 27 February 2026, the TPBAC, through Bid Bulletin No. 2026-01<sup>20</sup>, informed eligible bidders that they may submit their bids on or before 24 March 2026.

18. On 06 March 2026, the Pre-Bid Conference was conducted.<sup>21</sup>

19. Thereafter, Co-Applicant PANASIA was declared by the TPBAC as eligible to participate in the AS-CSP and submit its bid for the provision of RR, and DR.<sup>22</sup>

20. Pursuant to Bid Bulletin No. 2026-01, the TPBAC conducted the opening of bids timely submitted by all the eligible bidders whereby Co-Applicant PANASIA's bid/offer<sup>23</sup> for the provision of DR of its Generation Facility was considered for award after sufficiently complying with the technical and financial requirements.

21. On 21 April 2026, TPBAC submitted to the NGCP's Board of Directors its Resolution and Evaluation Report on the conduct of the CSP<sup>24</sup> indicating Co-Applicant PANASIA as one of the winning bidders. The TPBAC's Evaluation Report was thereafter confirmed by the NGCP's Board of Directors.<sup>25</sup>

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<sup>16</sup> The 18 February 2026 edition of the *Philippine Star* where the Notice of Invitation to Bid is attached as Annex "G" and the Affidavit of Publication issued by the *Philippine Star* is likewise attached as Annex "G-1".

<sup>17</sup> The 24 February 2026 edition of the *Business Mirror* where the Notice of Invitation to Bid is attached as Annex "H" and the Affidavit of Publication issued by the *Business Mirror* is likewise attached as Annex "H-1".

<sup>18</sup> The 24 February 2026 edition of the *Manila Bulletin* where the Notice of Invitation to Bid is attached as Annex "I" and the Affidavit of Publication issued by the *Manila Bulletin* is likewise attached as Annex "I-1".

<sup>19</sup> Invitation to CSP Observers is attached as Annex "J"

<sup>20</sup> Bid Bulletin No. 2026-01 is attached as Annex "K"

<sup>21</sup> Summary of Pre-Bid Conference is attached as Annex "K-1"

<sup>22</sup> ASP Eligibility Requirements are attached as Annexes "L"

<sup>23</sup> Co-Applicant's bid offer is attached herein as Annexes "M".

<sup>24</sup> TPBAC Resolution and Evaluation Report dated 10 April 2026 indicating Co-Applicant's bid/offer for its Generation Facility as one of the winning bids is attached as Annex "N".

<sup>25</sup> NGCP Secretary's Certificate certifying the BOD's Resolution confirming the TPBAC's Evaluation Report is attached as Annex "O"

22. Considering that the conduct of the AS-CSP was in order; and Co-Applicant PANASIA has satisfactorily complied with the technical, financial and legal requirements, said Co-Applicant was confirmed and declared to be the winning bidder for the provision of DR in accordance with DOE Department Circulars Nos. DC 2019-12-0018 and DC 2021-10-0031, and ERC Resolution No. 13, Series of 2026.

23. On 27 April 2026, the TPBAC issued a Notice of Award in favor of Co-Applicant PANASIA<sup>26</sup> informing the latter that it is to be awarded with a contract for the Provision of Ancillary Services in the Luzon Grid. The details of the award are as follows:

Type of AS to be provided	AS Facility/Unit	Capacity Payment Rate (P/kW/h)	Duration
Dispatchable Reserve (DR)	Bataan Combined Cycle Power Plant 01LIMAY_U01 01LIMAY_U05	0.55	Two (2) years

24. On 18 May 2026, NGCP and Co-Applicant PANASIA executed an ASPA pursuant to the AS-CSP Circular.

#### IV. CONTRACTED CAPACITY RATES AND IMPACT SIMULATION

25. Section 3 of the ASPA states that Co-Applicant PANASIA shall provide the AS in accordance with Schedule 1 of the ASPA, as follows:

##### Contracted Capacities:

##### Dispatchable Reserve:

01LIMAY\_U01, BLOCK A, BCCPP, LIMAY, BATAAN – 52MW  
ANNUAL DR CAPACITY TO BE PROVIDED - 455,520,000.00 kWh

Period	Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Dec. 26-Jan. 25	1	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Jan. 26-Feb. 25	2	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Feb. 26-Mar. 25	3	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Mar. 26-Apr. 25	4	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Apr. 26-May 25	5	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
May 26-Jun. 25	6	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Jun. 26-Jul. 25	7	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Jul. 26-Aug. 25	8	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Aug. 26-Sep. 25	9	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Sep. 26-Oct. 25	10	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Oct. 26-Nov. 25	11	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Nov. 26-Dec. 25	12	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52

<sup>26</sup> Notice of Award in favor of Co-Applicant is attached as Annex “P”

01LIMAY\_U05, BLOCK B, BCCPP, LIMAY, BATAAN – 39MW  
ANNUAL DR CAPACITY TO BE PROVIDED - 341,640,000.00 kWh

Period	Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Dec. 26-Jan. 25	1	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Jan. 26-Feb. 25	2	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Feb. 26-Mar. 25	3	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Mar. 26-Apr. 25	4	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Apr. 26-May 25	5	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
May 26-Jun. 25	6	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Jun. 26-Jul. 25	7	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Jul. 26-Aug. 25	8	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Aug. 26-Sep. 25	9	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Sep. 26-Oct. 25	10	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Oct. 26-Nov. 25	11	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Nov. 26-Dec. 25	12	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39

26. Schedule 3 of the ASPA provides for the formula for the computation of the Ancillary Service Payment, and the applicable rates for Capacity Payment:

**A. Ancillary Service Payment**

- For DR, Ancillary Service Payment is the total of the Capacity Payment and the Incidental Energy Payment in B and C below

$$\text{Ancillary Service Payment}_{DR} = \text{Capacity Payment} + \text{Incidental Energy Payment}$$

**B. Applicable Rates for Capacity Payment:**

- Dispatchable Reserve (DR): PhP 0.55 /kW/h

$$\text{Formula for Capacity Payment} = \text{Scheduled Capacity} \times \text{Applicable Rate for DR}$$

**C. Incidental Energy Payment**

The Cost of Incidental Energy (“IE”) is the cost of actual energy generated for the Firm Scheduled Capacity which shall be paid and computed, on a per 5-minute market interval basis, using the formula below:

**Payment of Cost of Incidental Energy (IE) computed as follows:**

$$\text{Incidental Energy Payment} = \{G \times (\text{Energy Fees})\} - (\text{WESM Revenue})$$

Where:

- G = summation of actual energy generated or dispatched from the Scheduled Capacity, in kWh;
- Energy Fees, in PhP/kWh = Fuel Cost + Fixed and Variable O&M Cost, in PhP/kWh.
- Fuel Cost, in PhP/kWh = fuel cost based on prevailing price with relevant fuel index based on published data
- Fixed O&M Cost, in PhP/kWh = 0.29
- Variable O&M Cost, in PhP/kWh = 0.52 x (Current CPI ÷ Base CPI)
  - Base CPI = 100 (2018)

- WESM Revenue = summation of WESM revenue based on prices used in settlement at the generator's trading node, arising from G.

27. In compliance with the ERC document checklist, NGCP submits the following:

- Actual AS Data on Required, Scheduled, and Dispatched (MW) for the Grid for the previous year;<sup>27</sup>
- Implementing Guidelines of the ASPA;<sup>28</sup>
- Detailed Rate Derivation (Price-Cap);<sup>29</sup> and
- Rate Impact Report<sup>30</sup>.

28. In support of the allegations herein, NGCP likewise submits a copy of the Judicial Affidavit of Ms. Lisaflor B. Kater,<sup>31</sup> which is attached to this Application.

29. For the Co-Applicant, the rates below represent a reasonable recovery of its opportunity cost in making available generation capacity to provide the procured AS:

AS Type	Indicative Rate Impact	
	P/kW – month	P/kwh
DR	4.1978	0.0079

A copy of the Rate Derivation for Co-Applicant is attached to this Application.<sup>32</sup>

30. Consistent with the AS-CRM, all the related and incidental expenses which NGCP will incur as a result of the procurement and operation of the ancillary services shall be recovered from all the load customers in the Luzon Grid.

31. As provided under Section 2.1 of the ASPA, the same shall become effective upon the approval by the ERC, either through a Provisional Authority (PA), or Interim Relief (IR), or final Decision, whichever comes first, unless a different effective date is provided by the ERC in its Order or Decision, and shall remain effective for a period of two (2) years, subject to Section 13 (Termination) of the ASPA.

32. Further, Co-Applicant PANASIA, as a generation company, falls within the ambit of Section 6 of the EPIRA. Attached are copies of relevant documents proving Co-Applicant PANASIA's due

<sup>27</sup> Attached as Annex "Q"

<sup>28</sup> Attached as Annex "R"

<sup>29</sup> Attached as Annex "S"

<sup>30</sup> Attached as Annex "T"

<sup>31</sup> Judicial Affidavit of Ms. Lisaflor B. Kater is attached as Annex "U"

<sup>32</sup> Rate Derivation with excel file is attached as Annex "V".

registration as a generation company, relevant permits to operate the Generation Facility, audited financial statements, and other documents required by the ERC under Appendix A of ERC Resolution No. 13, Series of 2026:

<b>Document</b>	<b>Annex</b>
Articles of Incorporation	“W”
Latest SEC GIS	“X”
Certificate of Compliance	“Y”
Latest Audited Financial Statement with ITR	“Z”
WESM Registration	“AA”
Computation of True Cost of Generation (PhP/kW & PhP/kWh)	“BB”
Summary of computed Consumer Price Index (CPI) indexation for Variable Operation and Maintenance (VOM) Cost, including their computations.	“CC”
Written Explanation on (1) Inapplicability of Distribution Wheeling Service (DWS) Agreement and Summary of DWS Charges and (2) Certification on No Existing Power Supply Agreement	“DD”
Single-Line Diagram	“EE”
Certification of Endorsement from the Department of Energy that the Generation Facility is included in the Power Development Plan and Transmission Development Plan	“FF”
Latest GCMR	“GG”

In fact, most of these documents were already submitted as part of the Eligibility Requirements in the conduct of the relevant AS-CSP. Nevertheless, Co-Applicant PANASIA is submitting the same documents in accordance with the Checklist of Requirements under Appendix A of ERC Resolution No. 13, Series of 2026. In support of the allegations herein, Co-Applicant PANASIA hereby submits a copy of the Judicial Affidavit of Engr. Antonio O. Mercado.

33. While PANASIA is a co-applicant, it manifests that the instant Application shall neither modify, diminish nor constitute a waiver of its rights nor expand its obligations and responsibilities as a generation company under EPIRA.

## **V. ALLEGATIONS IN SUPPORT OF THE PRAYER FOR CONFIDENTIAL TREATMENT OF INFORMATION**

34. Under Rule 4 of the ERC Rules of Practice and Procedure, the ERC, may, upon request of a party and determination of existence

of conditions that would warrant such remedy, treat certain information submitted to it as confidential.

35. The Rate Derivation, as offered in the AS-CSP, the Computation of True Cost of Generation and the Summary of computed Consumer Price Index for Variable Operation and Maintenance (VOM) Cost, attached to this Application as Annex “V”, Annex “BB” and Annex “CC”, contain commercially valuable and sensitive information and data that reflect Co-Applicant PANASIA investments, business operations, calculations, and other trade secrets.

36. Moreover, the documents enumerated and submitted above (**Annexes “W” to “GG”**) are already part of the documentary requirements for Eligibility in the conduct of the relevant AS-CSP, where the parties are bound by an Undertaking of Confidentiality. Therefore, these same documents all containing valuable and confidential information regarding Co-Applicant PANASIA and its generation facility BCCPP should all be included in the Motion for Confidential Treatment of Information.

37. Co-Applicant PANASIA further respectfully posits that all the above-enumerated documents (**Annexes “V” to “GG”**) should be treated as confidential in nature and should not be disclosed to other parties since these contain commercial and financial information about the Company PANASIA. These documents contain details which go into PANASIA’s business, pricing strategies and even trading strategies, which are not generally known to the public. Co-Applicant PANASIA has proprietary interest to protect the data contained in these documents.

38. Thus, Co-Applicant PANASIA respectfully moves that these documents not be disclosed and be treated as confidential documents in accordance with Section 1, Rule 4 of the ERC’s Rules of Practice and Procedure. Accordingly, Co-Applicant PANASIA submits one (1) copy of said documents in a sealed envelope, with the envelope and each page of the document stamped with the word “Confidential”.

## **VI. ALLEGATIONS IN SUPPORT OF THE PRAYER FOR IMMEDIATE ISSUANCE OF PROVISIONAL AUTHORITY**

39. It is a declared policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power.<sup>33</sup> To this end, there is a need to comply with the system requirements for

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<sup>33</sup> Section 2(b), EPIRA.

AS to ensure grid system security and reliability. As mentioned above, NGCP has the mandate to procure the required AS in accordance with DOE DC No. 2021-10-0031 and ERC Resolution No. 13, Series of 2026. NGCP has complied with the said policies through the conduct of the AS-CSP. Co-Applicant PANASIA was declared the winning bidder by strict compliance with the technical, financial and legal requirements thereof. However, the ERC must first approve the ASPA before the same can be implemented.

40. As the demand for power in Luzon increases, the requirements of the system likewise increase. Ensuring the integrity of the system is essential to protect the interests of the public. The absence of system reliability and stability will certainly discourage investments and growth.

41. Applicants respectfully submit that the immediate approval of the ASPA by this Honorable Commission is a necessity to maintain the present reliability and security of the Grid. In support of our motion for the immediate issuance of provisional authority, NGCP submits the Judicial Affidavit of Ms. Lisaflor B. Kater attached to this Application.

### **PRAYER**

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

1. Immediately **ISSUE** a provisional authority to implement the subject ASPA executed on 18 May 2026;
2. **APPROVE**, after notice and hearing, the subject ASPA;  
and
3. **ISSUE** an Order treating **Annexes “V” to “GG”** as confidential information pursuant to Section 1, Rule 4 of the ERC Rules of Practice and Procedure and prescribing the guidelines for the protection thereof.

Other just and equitable reliefs are likewise prayed for.

Pasig City and Quezon City for Pasig City, 25 May 2026.

*[Signature pages follow.]*

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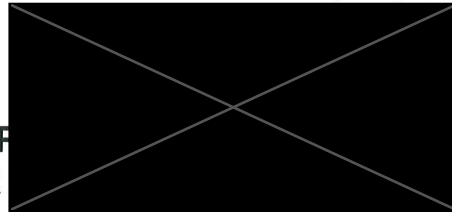
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**FREDERICK P. DIZON**

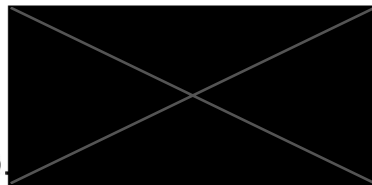
PTR No. 575152 / 12.29.25 / Quezon City

IBP Receipt No. 575152 / 12.29.25 / Quezon City

MCLE Compliance No. VIII-0011775 / 08.13.2024

Roll of Attorneys No. 74988

Email Address: [pmdizon@ngcp.ph](mailto:pmdizon@ngcp.ph)



OT

PTR No. 568283 / 12.19.25 / Makati City

IBP Receipt No. 568283 / 12.19.25 / Iloilo City

MCLE Compliance No. VIII-0012695 / 08.27.2024

Roll of Attorneys No. 84206

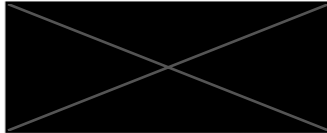
Email Address: [rddayot@ngcp.ph](mailto:rddayot@ngcp.ph)

**PANASIA ENERGY, INC.**

Co-Applicant

3204-B East Tower, Tektite Towers (formerly Philippine Stock Exchange  
Centre),  
Exchange Road, Ortigas Center, Pasig City 1605  
Telephone Number (02) 8661-6282

By:



**ETHEL U. ODRUNIA**

**Counsel for Co-Applicant Panasia Energy, Inc.**

PTR No. 3963810 / 01-06-2026 / Pasig City

MCLE Compliance No. VIII-0025820 / until 04-14-2028

IBP Lifetime No. 04272 / 1-8-03 / PPLM

Roll of Attorneys No. 37816

Email Address: [eodrunia@mei.com.ph](mailto:eodrunia@mei.com.ph); Contact No. 8661 6282

REPUBLIC OF THE PHILIPPINES )  
 ) S.S.

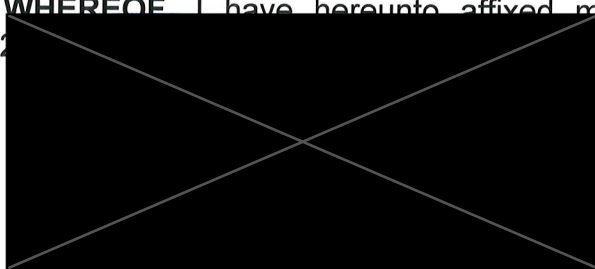
**VERIFICATION AND CERTIFICATION  
OF NON-FORUM SHOPPING**


I, **MA. CYNTHIA Y. MANRIQUE**, of legal age, Filipino, with office address at National Grid Corporation of the Philippines Head Office, NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City, Philippines, after having been duly sworn to in accordance with law, hereby depose and state that:

1. I am the Vice President and Head of the Revenue and Regulatory Affairs of the National Grid Corporation of the Philippines ("NGCP") and I am duly authorized to sign the Verification and Certification of Non-Forum Shopping in the above-entitled Application for and in behalf of NGCP as evidenced by the Secretary's Certificate hereto attached as **Annex "A-Verification"**;
2. I have caused the preparation of the foregoing Application;
3. I have read the Application and I attest that the allegations in the foregoing Application are true and correct based on my personal knowledge or based on authentic documents;
4. The foregoing Application is not filed to harass, cause unnecessary delay, or needlessly increase cost of litigation;
5. The factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
6. NGCP has not filed any other similar Application or action, involving the subject matter of this Application before any court, tribunal or quasi-judicial agency and, to the best of my knowledge, no such other Application or action is pending therein; and
7. If I should thereafter learn that such similar Application, action or claim has been filed or is pending, I shall report that fact to this Honorable Court within five (5) calendar days therefrom.

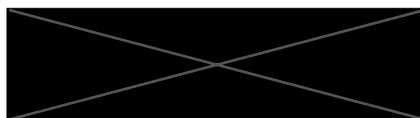
IN WITNESS WHEREOF, I have hereunto affixed my signature this

25 May 2026



**SUBSCRIBED AND SWORN** to before me this 25 May 2026, Affiant exhibited to me her LTO Driver's License No. .

Doc No. 364;  
Page No. 74;  
Book No. 44;  
Series of 2026.



Commission until 31 December 2027  
PTR No. 8368132; 01-05-2026; Quezon City  
IBP Lifetime No. 08600; Bulacan  
Roll of Attorney's No. 53664; 27 April 2007  
MCLE Compliance VIII-0011770, valid until 14 April 2028  
J. Rosa Condominium, 44 Matimtiman Street  
Teacher's Village East, Diliman, Quezon City



REPUBLIC OF THE PHILIPPINES)  
CITY OF QUEZON ) S.S.

### SECRETARY'S CERTIFICATE

I, **KAREN S. ONG**, Filipino, of legal age, and with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City, after being duly sworn in accordance with law, depose and state:

1. I am the Corporate Secretary of **NATIONAL GRID CORPORATION OF THE PHILIPPINES**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City;

2. The Board of Directors unanimously approved and adopted the following resolutions:

**"RESOLVED**, that the Corporation approves and authorizes the filing, with the Energy Regulatory Commission of the Applications for approval of the 2026 Ancillary Services Procurement Agreements between NGCP and the following:

- a. SMGP BESS Power Inc. for Gamu BESS;
- b. SMGP BESS Power Inc. for Lumban BESS;
- c. Panasia Energy, Inc.;
- d. Meridian Power Inc.;
- e. More Power Barge Inc.;
- f. Fort Pilar Energy, Inc.; and
- g. SMGP BESS Power Inc. for Villanueva BESS;

**"RESOLVED, FURTHER**, that the Corporation names, appoints and authorizes its Vice President and Head of Revenue and Regulatory Affairs, **MA. CYNTHIA Y. MANRIQUE**, to be its Attorney-in-Fact to represent the Corporation and cause the preparation and filing of the aforesaid Applications for Approval of Ancillary Services Procurement Agreements, before the Energy Regulatory Commission, with full power and authority to: (a) verify the Applications and allegations therein; (b) execute a certification of non-forum shopping for the Applications; and (c) cause the preparation and filing of motions, pleadings, and other submissions in relation to the Applications and to verify the same;

**"RESOLVED, FURTHER**, that the Corporation names, appoints and authorizes the **OFFICE OF THE GENERAL COUNSEL**, through any of its lawyers, as its Attorneys-in-Fact and Legal Counsel of the Corporation in the Applications to be filed, with full power and authority to act in behalf of the Corporation at any stage related to the proceedings, and with full power and authority to do and perform the following acts and things, viz:

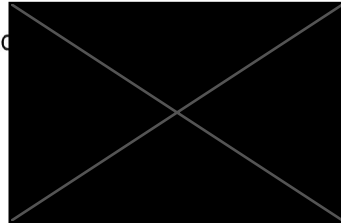
- a. Discuss the possibility of an amicable settlement, negotiate, enter into, conclude, execute, sign, and deliver a compromise agreement as they may deem just and equitable;


- b. Submit the case to arbitration, simplify the issues, amend and/or agree to amendment of the pleadings, obtain stipulations or admissions of facts and of documents to avoid unnecessary proof;
- c. Consider and move for the submission of the case for judgment based on the pleadings or summary judgment or for the dismissal of the action should a valid ground therefor exist;
- d. Consider and/or move for the suspension of the proceedings if the same is advisable or necessary; and
- e. To agree on such matters and do such things as may aid in the prompt disposition of the said action/proceeding/case.

**“RESOLVED, FINALLY**, that the Corporation gives and grants unto the above-named Attorneys-in-Fact/Counsels full power and authority to do any and all acts whatsoever requisite, necessary or proper to be done in and about the premises as fully to all intents and purposes as the Corporation might or could lawfully do, and hereby ratifies and confirms all that Attorneys-in-Fact have done, shall do, or cause to be done in its behalf by virtue hereof.”

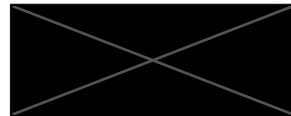
3. The foregoing resolution is in accordance with the records of the Corporation in my possession and has not been amended, superseded or repealed.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal this 19 MAY 2026 in Quezon City, Metro Manila.



SUBSCRIBED and SWORN to before me, this 19 MAY 2026 in Quezon City, Metro Manila, affiant exhibiting to me her  issued on 28 February 2020 in Manila.

Doc. No. 154  
Page No. 32  
Book No. 18  
Series of 2026



**LUISITO A. TRINIDAD**  
Commission AM No. NP-56 (2026-2027)  
Notary for Quezon City until 31 Dec. 2027  
NGCP Quezon Ave cor BIR Road Diliman QC  
Roll No. 38451 - 13 May 1993  
IBP Lifetime 013997- 08 Jan 2015  
PTR 8398525D- 06 Jan 2026  
MCLE VIII-0027983 until April 2028

Republic of the Philippines )  
Pasig City ) S.S.

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

I, **NOEMI T. MORENO**, Filipino, of legal age, and with office address at 3204-B, East Tower, Tektite Towers (formerly Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City, after having been duly sworn to in accordance with law, hereby depose and say:

1. I am the Vice President, Chief Operating Officer and Chief Finance Officer (VP-COO & CFO), and authorized representative of Panasia Energy Inc. (PANASIA), co-Applicant in the instant Application.

2. Upon the Authority of, and on behalf of PANASIA ENERGY, INC., I have caused and have been authorized to cause the preparation and filing of the foregoing Application, including the signing of the Verification and Certification of Non-Forum Shopping. A copy of the Secretary’s Certificate authorizing me to sign this Verification and Certification of Non-Forum Shopping is attached hereto as “**Annex 1 – Verification**” and made an integral part hereof.

3. I have read the contents of the foregoing Application and find the same to be true and correct based on my own personal knowledge and/or based on authentic records made available to me in the ordinary course of business of the co-Applicant PANASIA. I likewise attest to the authenticity of the annexes attached thereto.

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


5. I have been authorized by the Board of Directors of PANASIA to certify that the same co-Applicant PANASIA ENERGY INC. has not filed any complaint, petition or any other action before any court, tribunal or quasi-judicial body involving the same parties, subject matter or cause of action and to the best of my knowledge, no other action or proceeding is pending in the Supreme Court, the Court of Appeals, or any other court, forum, tribunal, or quasi-judicial body.

6. If I ever discover that there is already a pending case or action before any court, tribunal or quasi-judicial body involving the same parties, cause of action, or subject matter, I shall immediately inform this Honorable Commission within five (5) calendar days thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 25 MAY 2026 day of May 2026 in Pasig City.

  
N. Moreno  
Affiant

25 MAY 2026

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of May 2026, Affiant exhibiting to me her  bearing her picture to prove her identity.

Doc. No. 324 ;  
Page No. 66 ;  
Book No. XVII ;  
Series of 2026.

  
**ATTY. ROY H. MOVIDO**  
City  
Suite 301, East Tower, Tektite Towers,  
Exchange Road, Pasig City  
Roll of Attorney No. 66667  
Appointment No. 116 (2025-2026) valid until 31 December 2026  
IBP Member No. 539938 Pasig/ 28 February 2026  
PTR No. 3039044; 09 Jan. 2026; Pasig City  
MCLE Compliance No: VIII-0027774 valid until 14 April 2028

**SECRETARY'S CERTIFICATE**

I, **VANESSA C. RAYMUNDO-UY**, of legal age, Filipino, and with office address at Suite 2801 Discovery Center, 25 ADB Avenue, Ortigas Center, Pasig City, after having been duly sworn in accordance with law, state that:

1. I am duly elected and qualified Corporate Secretary of **PANASIA ENERGY, INC.** (Corporation), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 3204-B East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

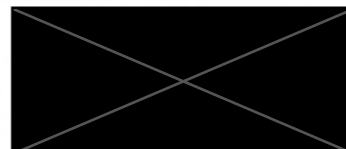
2. At the Special Meeting of the Board of Directors of the Corporation held on 05 May 2026, at the principal office of the Corporation, during which meeting a quorum was present and acting throughout, the following resolutions were passed and approved:

“RESOLVED, that the Corporation be authorized to enter into an Ancillary Services Procurement Agreement (ASPA) with the National Grid Corporation of the Philippines (NGCP) for a period of two (2) years, under such terms and conditions as may be beneficial to the Corporation;

“RESOLVED FURTHER, that the Corporation be authorized to file with the Energy Regulatory Commission (ERC) an Application for the Approval of the ASPA between NGCP and the Corporation, with prayer for the immediate issuance of a Provisional Authority (Application);

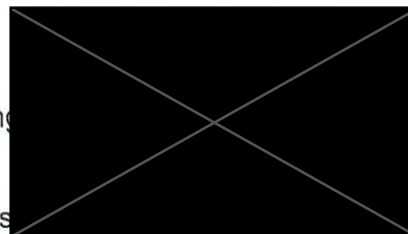
“RESOLVED FURTHER, that Corporation’s Vice President – Chief Operating Officer & Chief Finance Officer (VP – COO & CFO), **NOEMI T. MORENO**, whose specimen signature appears below, be authorized and empowered, for and on behalf of the Corporation, to sign, execute, and/or deliver the ASPA, the Application, and any and all other documents necessary in pursuing this Application, including all subsequent and/or future pleadings, motions, and other papers for appeals, petitions, or other incidents which may arise from the Application, before the appropriate court, agency, institution or entity, including but not limited to the ERC, Department of Energy, Court of Appeals, and the Supreme Court, verifying allegations therein, executing affidavits or sworn statements, giving testimonies, and making certifications against forum-shopping:

Name	Position
Noemi T. Moreno	VP – COO & CFO



“RESOLVED FURTHER, that Corporation’s Sales and Marketing Manager, **MR. MICHAEL C. LOPEZ, JR.**, whose specimen signature appears below, be authorized and empowered, for and on behalf of the Corporation, to be a witness to the signing of the ASPA, and any and all forms, documents, and instruments in connection with the ASPA;

Name	Position
Michael C. Lopez, Jr.	Sales and Marketing Manager



“RESOLVED FURTHER, that Corporation’s Compliance Officer, **ATTY. ETHEL U. ODRUNIA**, whose specimen signature appears below, be authorized and empowered, for and on behalf of the Corporation, to represent the Corporation as the counsel of record for the Application and to execute, endorse, submit, deliver, and/or verify the Application and all other documents necessary in pursuing this Application, including all subsequent and/or future pleadings, motions and other papers for appeals, petitions, or other incidents which may arise from the aforesaid Application, before the appropriate court, agency, institution or entity, including but not limited to the ERC, Department of Energy, Court of Appeals, and the Supreme Court, verifying allegations therein, executing affidavits or sworn statements, giving testimonies, and making certifications against forum-shopping:

Name	Position	Specimen Signature
Ethel U. Odrunia	Corporate Legal Officer and Compliance Officer	

“RESOLVED FURTHER, that the Corporation's Tariff and Regulatory Affairs Manager, **ENGR. ANTONIO O. MERCADO**, be authorized and empowered, for and on behalf of the Corporation, to attend and be a witness for the Corporation at the hearing of the Application before the ERC and other appropriate agency, institution, or entity, including but not limited to the Department of Energy, Court of Appeals, and the Supreme Court;



“RESOLVED FINALLY, that these resolutions shall remain valid, subsisting, and enforceable unless subsequently modified, revoked, rescinded, or suspended by a resolution of the Board of Directors.”

3. The foregoing resolutions are in accordance with the records of the Corporation.

4. I am executing this Secretary's Certificate to attest to the truth of the foregoing and for all legal intents and purposes, hereby waiving my right to receive a duplicate original electronic copy of this Secretary's Certificate, as allowed under Rule VI Section 7 of the 2004 Rules on Notarial Practice, as amended by A.M. No. 02-8-13-SC, and thereby waiving any objections to the completeness of the reproduction of this Secretary's Certificate.

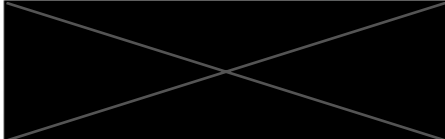
IN WITNESS WHEREOF, I have affixed my signature this 07 MAY 2026 in Pasig City.

  
**VANE O-UY**  
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this 07 MAY 2026 in Pasig City, affiant exhibiting to me her  issued on 17 January 2026 in Pasig City, as well as competent evidence of her identity in the form of her Taxpayer's Identification  with the said affiant waiving the right to receive a duplicate original electronic copy of this Secretary's Certificate, in effect waiving any objections to the completeness of the reproduction of this Secretary's Certificate.

Doc. No. 332 ;  
 Page No. 68 ;  
 Book No. II ;  
 Series of 2026.

DST Paid  
 No. 15773132



2801 Discovery Center 25 ADB Ave. Ortigas Center Pasig City  
 APPT. No. 265 (2025-2026)  
 Roll of Attorneys No. 91044  
 PTR No. 3044614; 01-16-2025; Pasig City  
 IBP No. 491005; 01-01-2025; Makati City  
 MCFE Compliance No. VIII-0017600; 01-16-2025