

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
APPLICATION OF THE
MAXIMUM ANNUAL
REVENUE FOR THE FIFTH
REGULATORY PERIOD
(2021 TO 2025) OF THE
NATIONAL GRID
CORPORATION OF THE
PHILIPPINES (NGCP) IN
ACCORDANCE WITH THE
ALTERNATIVE FORM OF
RATE SETTING
METHODOLOGY UNDER
THE RULES IN SETTING
THE TRANSMISSION
WHEELING RATES (RTWR)**

ERC CASE NO. 2023-025 RC

**NATIONAL GRID
CORPORATION OF THE
PHILIPPINES (NGCP),**
Applicant.

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Promulgated:
April 13, 2023

ORDER

On 30 March 2023, the National Grid Corporation of the Philippines (NGCP) filed an *Application* dated 29 March 2023, seeking the Commission's approval of its Maximum Annual Revenue (MAR) for the 5th Regulatory Period (RP) covering the years 2021 to 2025, in accordance with the alternative form of rate setting methodology under the Rules for Setting Transmission Wheeling Rates (RTWR).

The pertinent allegations in the said *Application* are hereunder quoted, as follows:

1. Applicant NGCP is a corporation created and existing under the laws of the Philippines, with principal office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman Quezon City. It is the concessionaire which assumed the management, operation, and maintenance of the nationwide transmission system

pursuant to Republic Act No. 9136, otherwise known as the “*Electric Power Industry Reform Act of 2001*” (**EPIRA**). NGCP may be served with orders, notices, and other legal processes through the undersigned counsel.

2. Under Republic Act No. 9511 entitled “*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 or Interconnected Transmission Lines, Substations and Related Facilities, and for Other Purposes*”, NGCP holds a franchise to construct, install, finance, manage, improve, expand, operate, maintain, rehabilitate, repair and refurbish the present nationwide transmission system of the Republic of the Philippines.

3. Under the Concession Agreement between NGCP, the Power Sector Assets and Liabilities Management Corporation (**PSALM**), and National Transmission Corporation (**TRANSCO**), PSALM granted NGCP, on an exclusive basis, the following rights and responsibilities: (a) to construct, install, finance, manage, improve, expand, operate, maintain, rehabilitate, repair, refurbish, and replace TRANSCO’s transmission assets; (b) to, for its own account, bill and collect from transmission customers such charges as it, being a regulated entity, may lawfully demand; (c) to take over and operate the whole of TRANSCO’s regulated transmission business as a going concern; and, (d) as between TRANSCO and itself, to be the sole representative of the regulated entity before this Honorable Commission. Finally, on 15 January 2009, NGCP commenced the management, operation, and maintenance of the nationwide transmission system.

Background and Nature of the Application

4. Pursuant to Section 43(f) of the EPIRA, the Energy Regulatory Commission promulgated in ERC Case No. 2003-34 the Guidelines on the Methodology for Setting Transmission Wheeling Rates for 2003 to Around 2027 dated 29 May 2003 (**2003 TWRG** for brevity).

5. Subsequently, in ERC Case No. 2009-008RM, this Honorable Commission revised and re-issued the TWRG as the Rules for Setting Transmission Wheeling Rates for 2003 to around 2027 (**2009 RTWR**). Under the 2009 RTWR, the third five-year regulatory period was concluded on 31 December 2015. In relation thereto, Article VII of the 2009 RTWR sets out the regulatory reset process timelines.

6. Under Section 7.1.2 of the 2009 RTWR, the Honorable Commission must publish a Regulatory Reset Issues Paper not less than twenty-one (21) months prior to the end of each Regulatory Period. The Regulatory Reset Issues Paper must: (a) provide the Honorable Commission’s initial views on the issues raised by the pending Regulatory Reset Process; and (b) specify the information to be provided by the Regulated Entity for the purposes of the Regulatory Reset Process and the time by which that information must be provided.

7. Unfortunately, notwithstanding the requirements under Section 7.1.2 of the 2009 RTWR, and despite the submission of NGCP's Issues Paper dated 30 May 2014 as well as the issuance of the *Commission Resolution on the Issues Paper of the Regulatory Reset for Transmission Services for 2016 to 2020 of the National Grid Corporation of the Philippines* on 07 June 2018, no further action on the reset process was undertaken by the Honorable Commission for the Fourth (4th) Regulatory Period (2016-2020) and Fifth (5th) Regulatory Period (2021-2025) for the next several years resulting in the lapse of the 4th RP and commencement of the 5th RP without the reset process being undertaken pursuant to the 2009 RTWR timelines.

8. The Honorable Commission was unable to publish the required Issues Paper for the 5th RP twenty-one (21) months prior to the end of the 4th Regulatory Period (or no later than April 2019) as required under Section 7.1.2 of the 2009 RTWR.

9. Notwithstanding the interest and anticipation of NGCP for the Honorable Commission to commence the 5th RP reset process as required under the 2009 RTWR, it was only on 10 May 2022, or after the lapse of seventeen (17) months from the time the 5th RP was supposed to have commenced, that the Honorable Commission released its "Issues Paper (First Draft) on the Regulatory Reset for the Fifth (5th) Regulatory Period (January 2023 to December 2027) for NGCP". Likewise, on 10 May 2022, the Honorable Commission posted on its website the 2022 Amended RTWR (First Draft).

10. Thereafter, through ERC Resolution No. 08, Series of 2022 dated 28 September 2022, and published in the Business Mirror on 04 October 2022, the Honorable Commission resolved to adopt the Amended RTWR. The Resolution's dispositive portion states:

"NOW THEREFORE, the Commission, after thorough and due deliberation, RESOLVED, as it hereby RESOLVES to ADOPT the Amended Rules for Setting Transmission Wheeling Rates, hereto attached as ANNEX "A".

11. On 27 October 2022, citing lack of due process due to the absence of any public consultation and public hearing as required by the ERC Revised Rules of Practice and Procedure, NGCP filed an *Omnibus Motion* in ERC Case No. 2018-004RM to: (1) subject Art. IV of the Amended RWTR to public consultation and public hearing; (2) clarify pertinent provisions of the Amended RTWR; and (3) hold in abeyance the regulatory reset process for the 4th and 5th regulatory period.

12. Thereafter or on 22 December 2022, NGCP filed its *Revenue Reset Application* for the 4th RP covering a five-year Regulatory Period from 01 January 2016 to 31 December 2020¹

¹ ERC Case No. 2022-089RC "In the Matter of the Application of the Maximum Annual Revenue for the Fourth Regulatory Period (2016 to 2020) of the National Grid Corporation of the Philippines

pursuant to the Honorable Commission's *Order* dated 25 November 2022, partially granting NGCP's Omnibus Motion and Motion for Clarification on pertinent provisions of the Amended RTWR.

13. On the same day, NGCP filed its *Petition for Rule Making*² which, among others, proposes to amend Article IV of the 2022 Amended RTWR limiting the coverage of the 4th RP to the years 2016 to 2020 consistent with the original intention of the 2003 TWRG and 2009 RTWR. By implication, the 5th RP as proposed will cover the years 2021 to 2025.

14. In its letter dated 13 January 2023, NGCP, citing several factors that prohibiting it from filing the 5th RP Revenue Reset Application, requested the Honorable Commission to allow it to submit the same on 28 April 2023. On 15 March 2023, NGCP received the Honorable Commission's response directing NGCP to file its 5th RP Revenue Reset Application within a period of fifteen (15) days from receipt, or until 30 March 2023.

15. Without prejudice to any appropriate and available remedy that NGCP may take as regards the outcome of the 4th RP Revenue Reset Application and the *Petition for Rule Making*, and within the period given by the Honorable Commission, NGCP submits this Application containing the data, reports, and information required under the Amended RTWR for NGCP's application for its proposed setting of Transmission Rates for the 5th Regulatory Period covering a five-year Regulatory Period from 01 January 2021 to 31 December 2025.

16. The data thus required, as well as the assumptions and the approach adopted by NGCP in the preparation of this Application, are summarized and discussed in **Annex "A"** hereof, along with its appendices or attached schedules.

17. NGCP respectfully manifests that, as discussed hereunder, the present Application includes TRANSCO's proposed capital and operating expenditures for the 5th Regulatory Period. Such inclusion was made pursuant to TRANSCO's request, and in accordance with Section 5.08 of the Concession Agreement which states:

"x x x Upon request of TRANSCO, the Concessionaire shall include such expenses incurred by TRANSCO for all the above Subsections (a) to (f) in the appropriate regulatory filing. X x x"

18. The inclusion of TRANSCO's proposed capital and operating expenditures for the 5th Regulatory Period in this Application is without prejudice to NGCP and TRANSCO's rights under the Concession Agreement.

(NGCP) in Accordance with the Alternative Form of Rate Setting Methodology Under the Rules in Setting the Transmission Wheeling Rates (RTWR) with Prayer for Confidential Treatment of Information"

² ERC Case No. 2022-009RM"

19. For the reference of the Honorable Commission, NGCP also submits relevant data and information for purposes of determining NGCP’s Annual Revenue Requirement for the years 2026 and 2027 as contained in **Annex “B”** hereof.

***Proposed Five-year Regulatory Period
from 01 January 2021 to 31 December
2025.***

20. As of this filing, NGCP’s 4th RP Revenue Application and its Petition for Rule Making, which both propose a five-year period (2016 to 2020) of coverage for the 4th RP, are still pending before the Honorable Commission.

21. Consistent with its position in the above-mentioned cases, NGCP maintains and reiterates that the coverage of the 4th and 5th Regulatory Periods should remain faithful to the original five-year periods as intended under the 2003 TWRG and the 2009 RTWR and as was observed in the previous regulatory periods.

22. **Hence, NGCP’s proposed five-year period for the 5th RP is from 01 January 2021 to 31 December 2025.**

***NGCP’s Application for the Regulatory
Reset Process for the Fifth Regulatory
Period.***

23. Relative to the 5th Regulatory Period and other subsequent regulatory periods, Art. 5.6.6 of the Amended RTWR provides the building block formula for the determination of NGCP’s ARR:

5.6.6 The Building Block formula to be used in calculating ARR_t is as follows:

$$ARR_t = Opex_t + Tax_{m,t} + RegDepn_t + [(RAB_t + WC_t) \times WACC] + Tax_{p,t} + ITA_t$$

Where:

- Opex_t = The nominal⁷ operating and maintenance expenditure for Regulatory Year t which is forecast for that Regulatory Year and approved by the ERC in accordance with Section 5.12;
- Tax_{m,t} = The payment of taxes, other than corporate income tax, for Regulatory Year t in nominal terms which are forecast for that Regulatory Year and approved by the ERC in accordance with Section 5.12;
- RegDepn_t = The Regulatory Depreciation for Regulatory Year t in real⁸ terms as determined by the ERC on the basis of the methodology for its determination set out in Section 5.9.2;

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RAB_t	=	The Regulatory Asset Base for Regulatory Year t in real terms as determined by the ERC on the basis of the methodology for its determination set out in Section 5.8;
WC_t	=	The working capital allowance for Regulatory Year t , which is set at a proportion of the difference between: (a) the real operating and maintenance expenditure which is forecast for that Regulatory Year and approved by the ERC in accordance with Section 5.12; and (b) the real amount of the bad debts ⁹ which are forecast for that Regulatory Year and approved by the ERC in accordance with Section 5.12, such proportion being determined by the ERC, as part of the Regulatory Reset Process for the Subsequent Regulatory Period under Article VIII, after a lead/lag study of relevant payables and receivables or the latest actual working capital requirement of the Regulated Entity such that it should reflect its lead/lag analysis for the past five (5) years;
$WACC$	=	The weighted average cost of capital calculated using a 'classical' formula and as determined by the ERC in accordance with Section 5.10. This value is determined by the ERC as part of the Regulatory Reset Process for the Subsequent Regulatory Period under Article VIII and remains constant for each Regulatory Year in the Subsequent Regulatory Period;
$Tax_{p,t}$	=	The estimated corporate income tax payable by the Regulated Entity in Regulatory Year t as determined by the ERC in accordance with Sections 5.13.1 to 5.13.3. Until otherwise amended by ERC, the corporate income tax shall be set to zero (0). As a result, the ITA_t shall similarly set to zero (0); and
ITA_t	=	The income tax adjustment amount for Regulatory Year t as determined by the ERC in accordance with Section 5.13.4. As mentioned above, the ITA_t shall similarly set to zero (0)

***Rolled-Forward Asset Values of the
Regulatory Asset Base (RAB)***

24. The ARR is based on a proposed rolled-forward value of the Applicant's Regulatory Asset Base (RAB). The Applicant further notes that the values of the RAB used in this Application is an interim value only. This value will be updated based on the final Independent Expert's Report, when it becomes available.

25. Accordingly, pending receipt of the required final Independent Expert's Report, NGCP reserves its right to submit to the Honorable Commission through the appropriate pleading the Applicant's updated Annual Revenue Requirement.

26. Section 5.7.3 and Appendix B of the Amended RTWR provides the steps in determining the Rolled-Forward Asset Values of the Regulatory Asset Base. Item 8 of Annex "A" hereof discusses the RAB Roll-Forward for Transmission Assets and details the RAB Roll-Forward Models considered by NGCP.

RAB Roll-Forward for CC-RSTC

27. Item 8 of Annex “A” hereof also discusses the RAB Roll-Forward for Connection and Residual Sub-Transmission Assets.

Capital Expenditures (CAPEX)

28. Item 9 of Annex “A” sets out the 2021-2022 actual and 2023-2025 forecast capital expenditures (CAPEX) of NGCP. Meanwhile, the proposed CAPEX forecast for the years 2026 to 2027 are detailed in Item 5 of Annex “B”.

Right of Way

29. Item 10 of Annex “A” discusses Land and Land Related Expenditures (Right of Way) which entails building new high voltage power lines and substations.

Operating Expenditures (OPEX)

30. *NGCP’s Actual and Historical Operating Expenditures for the years 2018, 2019, and 2020* – As required under Art. 5.12.1(a) of the Amended RTWR, Item 11 of Annex “A” hereof gives details on NGCP’s historical and actual Operating Expenditures for each of the three calendar years (2018, 2019, and 2020) preceding the commencement of the 5th RP.

31. As required under Art. 5.12.1(b), Item 11 of Annex “A” also provides NGCP’s forecasts of its proposed annual operating and maintenance expenditure for the years 2021 to 2025.

Working Capital

32. NGCP’s Working Capital based on a lead-lag study as prescribed in the RTWR is provided under Item 12 of Annex “A” hereof.

Taxes

33. NGCP’s proposed Taxes as prescribed in the RTWR is provided under Item 13 of Annex “A” hereof.

Weighted Average Cost of Capital (WACC)

34. In compliance with the Amended RTWR, NGCP’s WACC is discussed in detail under Item 14 of Annex “A” hereof.

Net Efficiency Adjustment (NEA)

35. Under Art. X of the Amended RTWR, the Net Efficiency Adjustment (NEA) is designed to ensure that the Regulated Entity is given an incentive to achieve reductions in controllable costs above those contained in its OPEX and CAPEX forecasts as approved by the Honorable Commission. However, the NEA is inapplicable to NGCP as it pertains to NGCP’s performance

during the 4th Regulatory Period considering that no forecast OPEX or CAPEX was approved by the ERC for the said Regulatory Period under Article VIII. Rather, the ERC has inserted into the 2022 Amended RTWR a specific article, Article IV, to set the revenue for the 4th Regulatory Period based on historic actual costs, not forecasts.

Under Recoveries

36. NGCP computed under-recoveries on several items as discussed in detail under Item 16 of Annex “A” hereof.

Performance Incentive Scheme

37. NGCP’s Performance Indices for the 5th Regulatory Period, Targets, and Bandwith are discussed in Item 17 of Annex “A” hereof. NGCP submits data in relation to the following matters in relation to the Performance Incentive Scheme:

- a. NGCP’s actual performance for the period of 2021 to 2022 are detailed also in Item 17 of Annex “A” hereof; and
- b. NGCP’s proposed Net Performance Incentive for 2023 to 2025 are discussed and detailed also in Item 17 of Annex “A” hereof.

Annual Revenue Requirement (ARR) Calculation

38. The calculation of the ARR for Transmission Assets, Connection Assets, and Residual Subtransmission Assets are presented and discussed in detail under Item 18 of Annex “A” hereof.

39. In support of this Application, NGCP submits the following documents:

Annex	Document
Annex “A”	5 th Regulatory Period (5 th RP) Reset Process
Annex “A-1”	Appendix “A” provides NGCP’s Billing Determinant and System Peak Demand
Annex “A-2”	Appendix “B” is Adding Capital Expenditure to the Regulatory Asset Base
Annex “A-3”	Appendix “C” contains the List of NGCP Projects
Annex “A-4”	Appendix “D” contains the Capital Expenditure Permit Fee
Annex “A-5”	Appendix “E” provides the ROW Expenditures
Annex “A-5”	Appendix “F” provides the Estimation of WACC at 1 January 2021
Annex “A-6”	Appendix “G” provides the Estimating beta from a sample of comparator firms
Annex “A-7”	Appendix “H” provides the Performance Incentive Scheme
Annex “A-8”	Appendix “I” provides TransCo Expenditures
Annex “A-9”	Appendix “J” provides the Prefiling Checklist

40. This Application and its supporting attachments comprise the required regulatory filing of NGCP, as the Regulated Entity, for purposes of the Regulatory Reset Process of the 5th Regulatory Period.

41. NGCP respectfully submits that the data and information contained in this Application and its attachments are in accordance with the provisions of the Amended RTWR and lay down the bases for a fair and reasonable determination of NGCP's maximum allowable revenue for the 5th Regulatory Period, which in turn, will promote efficient utilization of transmission facilities that will ultimately redound to the benefit and best interests of the consumers.

The initial draft report that will be issued by the Honorable Commission must include an initial determination that will be considered by NGCP and other stakeholders in their submissions.

42. The Regulatory Reset Process laid out in Article VIII of the Amended RTWR calls upon this Honorable Commission to publish an initial draft report and for the stakeholders to submit written comments thereto particularly in item 8.1.6 and 8.1.7 thereof, which states:

8.1.6 Prior to the commencement of the relevant Regulatory Period the ERC must publish an initial draft reports that are to apply for the relevant Regulatory Period on the ERC's website or through such other electronic medium as is generally accepted and in use at that time.

8.1.7 The ERC must invite submissions on the initial draft reports, such submissions to be provided in writing or at public hearings convened for that purpose. (Underscoring and highlighting supplied)

43. NGCP noted that in the 4th RP Reset Application, the publication of the initial draft report was made by the Honorable Commission after the commencement of the relevant Regulatory Period.

44. An initial or draft determination should have been included in said report for the stakeholders including NGCP to comment on consistent with the 2009 RTWR². A draft determination will afford all parties an opportunity to comment fully on the

⁴ Article VII item 7.1.7 thereof states that "Not later than nine months prior to the commencement of the relevant Regulatory Period the ERC must publish a draft determination on the price control arrangements that are to apply for the relevant Regulatory Period on the ERC's website (subject to normal internet service provider performance) or through such other electronic medium as is generally accepted and in use at that time. Copies of the draft determination must also be available for purchase at the offices of the ERC."

7.1.8 thereof states that "The ERC must invite submissions on the draft determination, such submissions to be provided in writing or at public hearings convened for that purpose."

proposed price control arrangements that will be applied in the relevant Regulatory Period.

45. Similarly, for the 5th Regulatory Period, NGCP prays that the Honorable Commission include an initial or draft determination in the initial draft report to be issued after the filing of the instant Application to give the stakeholders including NGCP an opportunity to provide in the written submissions a comprehensive review of the proposals of the Honorable Commission to be applied in the relevant Regulatory Period.

PRAYER

WHEREFORE, it is most respectfully prayed of this Honorable Commission to:

1. **ADMIT** and utilize this *Application* and the data and information contained in its attached **Annex "A"** (and its appendices/schedules) in the determination of NGCP's Maximum Allowable Revenue and/or the setting of the maximum transmission wheeling rates for the 5th Regulatory Period covering the period of 01 January 2021 to 31 December 2025;
2. **ALLOW** NGCP to submit its Comment to the Honorable Commission's initial evaluation or draft determination of this 5th RP Revenue Application. and
3. **ALLOW** NGCP to update its submission of data and information in the determination of NGCP's Maximum Allowable Revenue and/or the setting of the maximum transmission wheeling rates for the 5th Regulatory Period covering the period of 01 January 2021 to 31 December 2025 based on the final Independent Expert's Report, when it becomes available.
4. **APPROVE** NGCP's 5th RP Revenue Application, as proposed.

NGCP prays for such further and other relief as may be deemed just and equitable.

Finding the said *Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-Trial Conference, and presentation of evidence on the following dates and venues:

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Date	Venue	Activity
30 May 2023 (Tuesday) at nine o'clock in the morning (9:00 AM)	Energy Regulatory Commission, Hearing Room, 11th Floor, Exquadra Tower, 1 Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City	Determination of compliance with the jurisdictional requirements and Expository Presentation for Luzon Stakeholders
06 June 2023 (Tuesday) at nine o'clock in the morning (9:00 AM)	Energy Regulatory Commission, Visayas Area Operations Division (VAOD), 7th Floor, Kepwealth Building, Samar Loop, Cebu Business Park, Cebu City	Expository Presentation for Visayas Stakeholders
13 June 2023 (Tuesday) at nine o'clock in the morning (9:00 AM)	Energy Regulatory Commission, Mindanao Area Operations Division (MAOD), 6th Floor, BIZ Bldg., c/o BORMAHECO, Inc., 209 J.P. Laurel Avenue, Bajada, Davao City	Expository Presentation for Mindanao Stakeholders
20 June 2023 (Tuesday) at nine o'clock in the morning (9:00 AM)	Energy Regulatory Commission, Hearing Room, 11th Floor, Exquadra Tower, 1 Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City	Pre-Trial Conference
20 June 2023 (Tuesday) at two o'clock in the afternoon (2:00 PM)		Presentation of Evidence
22 June 2023 (Thursday) at nine o'clock in the morning (9:00 AM)		

Date	Venue	Activity
22 June 2023 (Thursday) at two o'clock in the afternoon (2:00 PM)		

Applicant NGCP is directed to attend the said hearings at the designated venues.

RELATIVE THERETO, NGCP is hereby directed to:

- 1) Cause the publication of the attached *Notice of Public Hearing* in two (2) newspapers of nationwide circulation in the Philippines at its 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 hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Public Hearing* the Offices of the Provincial Governors, the Mayors and the Local Government Unit (LGU) legislative bodies within NGCP's regional offices for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within NGCP's regional offices, by any other means available and appropriate, of the filing of the *Application*, the reasons therefor, and of the scheduled hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Public Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (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 *Application* and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within five (5) calendar days prior to the date of the initial hearing, NGCP must submit to the Commission via electronic mail (e-mail) at doCKET@erc.ph, and copy furnish the Legal Service through legal@erc.ph, the scanned copies of its 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 Public Hearing* consisting of affidavits of the Editors or Business Managers of the newspapers where the said *Notice of Public Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Public Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governors, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by NGCP to inform the consumers affected by the filing of the *Application*, the reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Public Hearing* 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 by all those making requests therefor, if any; and
- 6) Such other proofs of compliance with the requirements of the Commission.

Moreover, NGCP is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publications and certifications issued by the concerned Office of the Mayors, Governors, and Local Legislative Bodies, and to submit proof of their posting thereof.

NGCP and all interested parties are also required to submit via e-mail at doCKET@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** before the date of the

scheduled 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 therefor, which should also be attached to the Pre-trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

NGCP must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission **at least five (5) calendar days** before the date of the scheduled initial hearing and Pre-trial Conference pursuant to the preceding paragraph.

Failure of NGCP to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings, and the resetting of which shall be six (6) months from the said date of cancellation.

NGCP must also be prepared to make an expository presentation of the instant *Application*, aided by whatever communication medium that it 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 *Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Application* must be cited in support thereof.

NGCP is hereby directed to file a copy of its Expository Presentation via e-mail at doCKET@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** prior to the scheduled public hearing. NGCP shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, **at least five (5) calendar days** prior to the scheduled hearing.

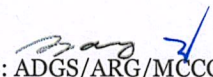
NGCP is further directed to submit, either through personal service, registered mail or ordinary mail/private courier, one (1) set of the original or certified true hard copies of its Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavits of witnesses, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

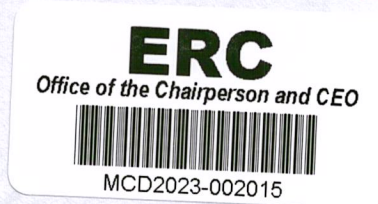
SO ORDERED.

Pasig City, 13 April 2023.

FOR AND BY AUTHORITY
OF THE COMMISSION:


MONALISA C. DIMALANTA
Chairperson and CEO 


LS: ADGS/ARG/MCCG



Copy Furnished:

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7. Office of the City Mayor
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8. Office of the Sangguniang Panlungsod
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9. Office of the Governor
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10. Office of the Sangguniang Panlalawigan
Province of La Union
11. Office of the City Mayor
San Fernando, La Union
12. Office of the Sangguniang Panlungsod
San Fernando, La Union
13. Office of the Governor
Province of Laguna
14. Office of the Sangguniang Panlalawigan
Province of Laguna
15. Office of the City Mayor
Binan, Laguna
16. Office of the Sangguniang Panlungsod
Binan, Laguna
17. Office of the Governor
Province of Lanao del Norte
18. Office of the Sangguniang Panlalawigan
Province of Lanao del Norte
19. Office of the City Mayor
Iligan City
20. Office of the Sangguniang Panlungsod
Iligan City
21. Office of the City Mayor
Davao City
22. Office of the Sangguniang Panlungsod
Davao City
23. Office of the City Mayor
Cebu City
24. Office of the Sangguniang Panlungsod
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25. National Transmission Corporation (TRANSCO)
Quezon Avenue cor. BIR Road, Diliman, Quezon City
OVP-Legal@transco.ph, customerservice@transco.ph
26. Power Sector Assets and Liabilities Management Corporation (PSALM)
24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives
Vertis North, Mindanao Avenue, Quezon City
infos@psalm.gov.ph
27. Regulatory Operations Service (ROS)
Exquadra Tower, Jade Drive, Ortigas Center, Pasig City