

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
1 Jade Drive, Ortigas Center, Pasig Cit

**IN THE MATTER OF THE APPLICATION
FOR APPROVAL OF THE SALE FOR
RESALE AGREEMENT BY AND
BETWEEN CLARK ELECTRIC
DISTRIBUTION CORPORATION
(CEDC) and SHIN CLARK POWER
CORPORATION (SCPC), WITH PRAYER
FOR PROVISIONAL AUTHORITY,**

ERC CASE NO. 2024-063 RC

May 07, 2024

**CLARK ELECTRIC DISTRIBUTION
CORPORATION (CEDC) and SHIN
CLARK POWER CORPORATION
(SCPC),**

Applicants.

X-----X

**APPLICATION FOR APPROVAL
OF SALE FOR RESALE AGREEMENT**

Applicants **CLARK ELECTRIC DISTRIBUTION CORPORATION (CEDC) and SHIN CLARK POWER CORPORATION (SCPC)**, thru counsel, respectfully states:

1. CEDC is a distribution utility duly organized and existing under Philippine law, with office address at Bldg. N2830, Bayanihan Street, Clark Freeport Zone, Pampanga, Philippines. CEDC was franchised by the Clark Development Corporation (CDC) to distribute electricity within the Clark Special Economic Zone (CSEZ) until year 2047 under a Joint Venture Agreement (JVA) executed pursuant to Executive Order No. 80, and is represented here by its President and CEO, Baldomero N. Guisala.
2. SCPC is a distribution utility duly organized and existing under Philippine law, with office address at NCC-Substation, Botolan-Clark Airport Road, New Clark City, Aranguren, Capas, Tarlac. SCPC is the joint venture corporation created between the Bases Conversion Development Authority (BCDA) and Shin Clark Power Holdings Inc. (SCPHI) in accordance with their Joint Venture Agreement (JVA) dated 3 April 2019 for the financing, design, engineering, construction, development and operation and maintenance of an electric power distribution system inside New Clark City.
 - A. BCDA is a government instrumentality vested with corporate powers and created by virtue of [Republic Act No. 7227, as amended](#).
 - B. SCPHI is a consortium established by and between Manila Electric Company, Marubeni Asian Power Philippines Corporation (formerly, Axia Power Holdings Philippines Corporation), KPIC Netherlands, B.V., and Chubu Electric Power Co. Inc. SCPHI holds 90% of the shares of SCPC while BCDA holds 10% thereof.

3. CEDC and SCPC may be served with notices and other processes of this Honorable Commission through its undersigned counsel at the address indicated herein.
4. On 23 January 2018, the 200-hectare National Government Administrative Center (NGAC) broke ground in New Clark City. This government hub is seen to help decongest Metro Manila as it houses the government agencies and offices that run the country and provide continuous service to its citizens. Later that year, construction also started for the sports facilities that will be used for hosting the 2019 Southeast Asian Games.
5. On 16 May 2018, BCDA released an Invitation to Bid for the Selection of the Joint Venture Partner for the development of electric power distribution system in New Clark City (NCC). After the conduct of a competitive selection process, the BCDA Joint Venture Select Committee (JVSC) issued on 18 January 2019 a Notice of Award to the Meralco-Marubeni Consortium as the winning Private Sector Participant (PSP).
6. On 03 April 2019, BCDA and SCPHI entered into a Joint Venture Agreement (JVA) for the financing, design, engineering, construction, development and operation and maintenance of an electric power distribution system inside NCC. The MERALCO Marubeni consortium was then incorporated into SCPHI.
7. Under the JVA, BCDA and SCPHI shall establish and incorporate a Joint Venture Corporation (JVC) with the primary purpose of developing, constructing, owning, operating and maintaining the distribution system inside NCC. Hence, SCPC was organized and incorporated on 10 May 2022.
8. On 22 August 2019, President Rodrigo R. Duterte signed into law [Republic Act No. 11420 \(RA 11420\)](#) granting to BCDA and its assignees the franchise to construct, install, establish, operate, lease, own, manage and maintain for commercial purposes, and in the public interest, distribution systems for the conveyance of electric power in NCC, an area covering 9,450 hectares located in the towns of Capas and Bamban, both in the Province of Tarlac. Section 14 of RA 11420 expressly recognized the JVA.
9. In June 2022, SCPC applied for a Certificate of Public Convenience and Necessity (CPCN) before the Energy Regulatory Commission (ERC), docketed as ERC Case No. 2022-015 MC. The CPCN application was approved by the Honorable Commission in a [Decision](#) dated 22 March 2023.
10. As a greenfield project, SCPC is currently not connected to the Grid. However, SCPC has initiated the application process with National Grid Corporation of the Philippines (NGCP) as well as compliance with the various technical requirements of NGCP to connect to their existing Dolores Substation.
11. Pending completion of the process to complete connection with the Grid, SCPC proposes to draw power from CEDC so it can serve the power requirements of NCC. Thus, CEDC and SCPC entered into a Sale for Resale Agreement and is now seeking the Honorable Commission's approval of the

herein proposed Sale for Resale Agreement pursuant to [ERC Resolution No. 02, Series of 2009](#).

12. NCC’s current and prospective locators will consist primarily of power-sensitive industrial and commercial customers. To attract investors, it is imperative that SCPC gain immediate access to a safe, quality and reliable power service at affordable rates. In this regard, CEDC and SCPC urgently prays for the issuance of a provisional authority from the Honorable Commission to implement the proposed Sale for Resale Agreement pending final resolution of the subject application case.
13. CEDC’s proposed selling rate to SCPC will consist of its Blended Generation Charge, Transmission Charge for 69kV customers, Distribution, Supply & Metering Charges for 69kV customers, and System Loss Charges for 69kV customers. CEDC will not charge SCPC with Universal Charge and FIT-All Charge as SCPC is not an end-user. CEDC will accordingly advise PSALM and TRANSCO of this fact.
14. In support of this Application, CEDC and SCPC hereby submit the following documents:

Document	Annex
Sale for Resale Agreement between CEDC and SCPC	“A”
CEDC Board Resolution authorizing execution of Sale for Resale Agreement with SCPC	“B”
CEDC Board Resolution authorizing the joint filing of application for approval of Sale for Resale Agreement with SCPC	“C”
SCPC Board Resolution authorizing execution of Sale for Resale Agreement with CEDC and the filing of the application with the ERC	“D”
SCPC’s Customer Profile/Customer Mix <ol style="list-style-type: none"> a. Energy Purchase (kWh) b. Energy Sales (kWh) c. Peak Demand (kW) d. Number of Customers e. Type of Customers f. Franchise Area 	“E”
Actual Calculation of of SCPC’s retail rate per customer type per month	“F”
Sample bills of SCPC per customer type per month	“G”
Proposed SCPC retail rate per customer type under the proposed Sale for Resale Agreement	“H”
Computation of Generation Rate to be paid by SCPC to CEDC	“I”
SCPC’s existing and proposed Unbundled Retail Rates	“J”
Rate impact of Sale for Resale to SCPC’s power rate	“K”
Single Line Diagram of SCPC’s distribution system	“L”
Calculation of CEDC’s retail rates per customer type	“M”
CEDC’s actual selling rates per customer type	“N”
Power Bills of CEDC per supplier per month	“O”

CEDC URR submissions	<u>“P”</u>
Computation of Generation Rate to charge by CEDC to SCPC based on submitted URR	<u>“Q”</u>
Consumer Sample Bills of CEDC per customer type	<u>“R”</u>
Existing and Proposed Unbundled Selling Rates of CEDC to SCPC	<u>“S”</u>
Computation of proposed rates with documentation on assumptions taken of the Selling DU	<u>“T”</u>
Projected power bills of SCPC from CEDC under the proposed Sale for Resale Agreement	<u>“U”</u>
Audited Financial Statements of CEDC for the year 2022	<u>“V”</u>
Single Line Diagram of CEDC’s Distribution System	<u>“W”</u>
CEDC Judicial Affidavit in support of Motion for Issuance of Provisional Authority	<u>“X”</u>
SCPC Judicial Affidavit in support of Motion for Issuance of Provisional Authority	“Y”

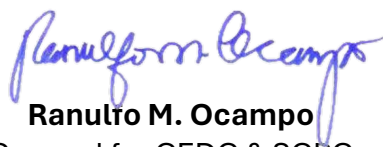
PRAYER

WHEREFORE, CEDC and SCPC respectfully pray for the approval of the proposed Sale for Resale Agreement.

CEDC and SCPC further pray that they be provisionally authorized to implement the proposed Sale for Resale Agreement pending final resolution of the above-captioned application.

Finally, CEDC and SCPC prays for such other relief or remedy as may be just equitable under the circumstances.

RESPECTFULLY SUBMITTED this 4th day of April 2024 at Pasig City.



Ranulfo M. Ocampo

Counsel for CEDC & SCPC

PTR No. 9759411 | 03 January 2024 | Marikina City

IBP Lifetime No. 1025756 | 18 January 2016 | RSM

IBP Roll No. 33872 | MCLE Compliance No. VII-0018049 valid until 14 April 2025

7/F STRATA 100 Bldg. | F. Ortigas Jr. Road | Ortigas Center | Pasig City

Smart: 0920-938-4470 / Globe: 0917-301-2455 | Email: ranulfoocampo@outlook.com

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

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, **BALDOMERO N. GUISALA**, of legal age, with office address at Clark Electric Distribution Corporation (CEDC), N2830 Bayanihan Street, Clark Freeport Zone, Philippines, depose and state under oath that:

1. I am the President and CEO of Clark Electric Distribution Corporation (CEDC), and that I have been authorized by CEDC to verify and certify under oath the foregoing application for approval of Sale for Resale Agreement between CEDC and SCPC with prayer for provisional authority.
2. On behalf of CEDC, I caused the preparation of the foregoing application for approval of Sale for Resale Agreement between CEDC and SCPC with prayer for provisional authority.
3. I have read and understood the allegations contained therein insofar as CEDC is concerned; and all the facts stated therein are true and correct based on my own knowledge and the authentic records of CEDC.
4. The application is not filed to harass, cause unnecessary delay, or 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.
5. CEDC has not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other tribunal or agency; and that to the best of my knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other tribunal or agency. If I should learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, I undertake to promptly inform this Honorable Commission within five (5) days from receipt of such knowledge of such fact.


BALDOMERO N. GUISALA
Affiant

JURAT

APR 05 2024

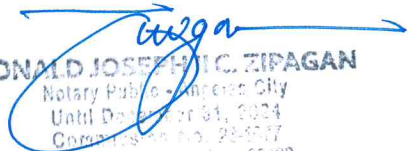
SUBSCRIBED AND SWORN to before me this _____, affiant exhibited to me his Philippine Driver's License No. D16-97-161285 expiring on 2032/09/09.

Doc. No. 135 ;

Page No. 48 ;

Book No. I ;

Series of 2024 .


RONALD JOSEPH H. C. ZIFAGAN
Notary Public - Angeles City
Until December 31, 2024
Com. No. 28-977
Roll of Notaries No. 6802
PTE No. AN-2023-07-024
IBP Member No. 479/01.08.2024
Hipolito Tuzon Court and Supreme Law Offices
G/S Angeles Business Center,
NSPO Center, Angeles City

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, **ANTONIO M. ABUEL, JR.**, of legal age, with office address at New Clark City Substation Botolan – Clark Airport Road, New Clark City, Barangay Aranguren, Capas, Tarlac, Philippines, depose and state under oath that:

1. I am the General Manager of Shin Clark Power Corporation (SCPC), and that I have been authorized by SCPC to verify and certify under oath the foregoing application for approval of the Sale for Resale Agreement between Clark Electric Distribution Corporation (CEDC) and SCPC with prayer for provisional authority.
2. On behalf of SCPC, I caused the preparation of the foregoing application for approval of Sale for Resale Agreement between CEDC and SCPC with prayer for provisional authority to be filed with the Energy Regulatory Commission (ERC).
3. I have read and understood the allegations contained therein insofar as SCPC is concerned; and all the facts stated therein are true and correct based on my own knowledge and the authentic records of SCPC.
4. The application is not filed to harass, cause unnecessary delay, or 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.
5. SCPC has not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other tribunal or agency; and that to the best of my knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other tribunal or agency. If I should learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, I undertake to promptly inform this Honorable Commission within five (5) days from receipt of such knowledge of such fact.


ANTONIO M. ABUEL, JR.
Affiant

JURAT

SUBSCRIBED AND SWORN to before me this APR 04 2024, affiant exhibited to me his Philippine Driver's License No. C07-85-006949 expiring on April 19, 2033.

Doc. No. 487 ;
Page No. 97 ;
Book No. XIII ;
Series of 2024 .


ATTY. EDGAR MICHAEL C. ROBLES
NOTARY PUBLIC
Appointment No. 148 (2023-2024)
Pasig, San Juan and Pateros
Roll No. 62413 IDP Lifetime No. 011798; RSM Chapter
PTR No. 1705883, 01/18/2024; Pasig City
MCLE Compliance No. VII-G001112; 17 October 2019
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City