

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**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

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

Applicants.

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Promulgated:

August 10, 2026

DECISION

For resolution before the Commission is the *Application* dated 04 April 2024, filed by Clark Electric Distribution Corporation (CEDC) and Shin Clark Power Corporation (SCPC) on 07 May 2024, seeking the Commission’s approval of their Sale for Resale Agreement (SRA), with prayer for provisional authority.

FACTUAL ANTECEDENTS

On 17 May 2024, the Commission issued an *Order* and a *Notice of Virtual Hearing*, setting the instant *Application* for hearing on 19 June 2024 for the determination of compliance with the jurisdictional requirements and expository presentation; and on 26 June 2024 for the Pre-Trial Conference and presentation of evidence.

On 14 June 2024, CEDC and SCPC filed their *Joint Compliance of Notice Requirements* of even date.

On 17 June 2024, CEDC and SCPC filed their *Joint Pre-Trial Brief* dated 14 June 2024.

During the 19 June 2024 hearing, only CEDC and SCPC appeared. There were no intervenors or oppositors who appeared, nor was there any petitions for intervention or opposition filed. In the said hearing, CEDC and SCPC presented their proofs of compliance with the Commission's *Order* dated 17 May 2024, including the publication of the Notice of Virtual Hearing in *The Philippine Star* and *BusinessMirror* newspaper issues dated 05 June 2024 and 12 June 2024. Upon determining CEDC and SCPC's compliance with the publication and posting requirements, the Commission declared that it acquired jurisdiction over the instant *Application*.

The hearings for the expository presentation, Pre-Trial Conference, and presentation of evidence proceeded as scheduled.¹

On 01 July 2024, SCPC filed an *Urgent Motion for Issuance of Provisional Authority* of even date.

On 08 July 2024, CEDC and SCPC filed their *Formal Offer of Evidence* (FOE) of even date.

On 15 July 2024, SCPC filed a *Supplemental Offer of Evidence and Supplemental Compliance*, both of even date.

On 19 August 2024, SCPC filed a *Second Urgent Motion for Issuance of Provisional Authority* of even date.

In an *Order* dated 30 September 2024, the Commission granted interim relief to CEDC and SCPC to implement their SRA, subject to conditions. The dispositive portion of the said *Order* reads:

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WHEREFORE, the foregoing premises considered, Applicants Clark Electric Distribution Corporation (CEDC) and Shin Clark Power Corporation (SCPC) are hereby **GRANTED** an **INTERIM RELIEF** to implement their Sale For Resale Agreement (SRA), subject to the following conditions:

¹ The expository presentation was conducted during the 19 June 2024 hearing, while the Pre-Trial Conference and presentation of evidence were conducted during the 26 June 2024 hearing.

1. CEDC and SCPC are hereby directed to implement their Sale for Resale Agreement (SRA), subject to the following applicable selling rates of CEDC to SCPC in accordance with ERC Resolution No. 02, Series of 2009², starting 26 May 2024:

Rate Component	Applicable Rate
Generation Rate	Allowable Monthly Generation Rate
Transmission Rate	Allowable Monthly Transmission Rate
System Loss Charge	Allowable Monthly System Loss Rate
Distribution Charge	PhP318.76/kW ³
Supply Charge	PhP31,597.92/Customer/Month ⁴
Metering Charge	PhP65,791.53/Customer/Month ⁵

2. SCPC is hereby directed to charge the following rate components to its customers: Total Sale for Resale Billing of CEDC, Allowable System Loss Charge and other pass-through charges, including Value Added Tax, Universal Charges, and Fit-ALL Charges as approved by the Commission, excluding Overhead Line Recovery Charge and Administrative Charge; and
3. The implementation of the Sale for Resale Agreement pursuant to this Interim Relief is without prejudice to any adjustments and actions of the Commission on other pending issues in the instant *Application*.

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On 30 January 2025, CEDC and SCPC filed a *Partial Motion for Reconsideration with Special Entry of Appearance* of even date.

On 10 February 2025, SCPC and CEDC filed a *Manifestation* of even date.

On 03 June 2025, SCPC and CEDC filed a *Very Urgent Motion (to Resolve Partial Motion for Reconsideration dated 30 January 2025)* of even date.

On 08 September 2025, the Commission issued an *Order* resolving the said *Partial Motion for Reconsideration, to wit*:

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WHEREFORE, the *Partial Motion for Reconsideration with Special Entry of Appearance* filed by Applicants Clark Electric Distribution Corporation (CEDC) and Shin Clark Power Corporation (SCPC) dated 30 January 2025, is hereby **GRANTED**.

² A Resolution Adopting the Rules for Recovery of Costs Associated with the “Sale for Resale Agreement” By, Between or Among Distribution Utilities.
³ ERC-Approved Distribution Charge for 69kV customers of CEDC.
⁴ ERC-Approved Supply Charge for 69kV customers of CEDC.
⁵ ERC-Approved Metering Charge for 69kV customers of CEDC.

Accordingly, Applicants CEDC and SCPC are hereby **DIRECTED** to:

- a.) **IMPLEMENT** the Sale for Resale Agreement (SRA) between CEDC and SCPC, including the Administrative Charge of PhPo.6690/kWh and Overhead Line Recovery (OHLR) Charge of PhPo.1830/kWh. SCPC's imposition of the Administrative and OHLR Charges to its customers shall be discontinued upon the effectivity of the new DSM charges approved by the Commission;
- b.) SCPC to **COLLECT** from its customers under-recovery from the uncollected Administrative Charge and OHLR Charge from June 2024 up to April 2025, in the total amount of PhP3,504,018.70, with an equivalent rate of PhPo.8520/kWh over a period of eleven (11) months or until such time that the said amount shall have been fully collected from its customers;
- c.) SCPC to **REFLECT** the computed under-recovery rate as a separate line item in the bills to customers during the period of collection using the term "*Admin & OHLR Collect*"; and
- d.) SCPC to **ACCOMPLISH and SUBMIT REPORT** in accordance with the herein prescribed format (**Annex "A"**), on or before the 30th day of the following month, until such time that the total amount of under recovery shall have been fully collected from its customers.

The *Special Entry of Appearance* of Duñgo and Tolentino Law Offices, as counsel for Applicant SCPC, is **NOTED**.

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On 06 February 2026, CEDC and SCPC filed a *Motion for Extension of Term of Sale for Resale Agreement* dated 05 February 2026. In the said *Motion*, CEDC and SCPC are seeking the Commission's approval of their agreed extension of the term of the SRA from 21 March 2026 to 20 March 2028, evidenced by a copy of the executed *Letter Agreement* dated 28 January 2026.

The Commission found the exhibits contained in the *Formal Offer of Evidence* and the *Supplemental Formal Offer of Evidence* of CEDC and SCPC, as well as their various submissions, to be relevant and material to the resolution of the case. Thus, the Commission admitted the same and declared the instant *Application* submitted for resolution.

ISSUES

The issues for the Commission's resolution are the following:

1. Whether the SRA between CEDC and SCPC, subject of the instant *Application*, should be approved with finality; and
2. Whether the extension of the term of the SRA should be approved.

COMMISSION'S RULING

After due deliberation and evaluation of all evidence submitted and information gathered, the Commission, pursuant to its regulatory powers, hereby resolves the issues, as follows:

1. **GRANT FINAL AUTHORITY** to CEDC and SCPC to implement the SRA, subject to certain conditions; and
2. The extension of the term of the SRA from 21 March 2026 to 20 March 2028, is hereby **APPROVED**, subject to the same terms and conditions provided herein.

DISCUSSION

Section 23 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (*EPIRA*) provides that:

Section 23. Functions of Distribution Utilities – A distribution utility shall have the obligation to provide distribution services and connections to its system for any end-user within its franchise area consistent with the distribution code. Any entity engaged therein shall provide open and non-discriminatory access to its distribution system to all users.

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Distribution utilities shall provide universal service within their franchise, over a reasonable time from the requirement thereof, including unviable areas, as part of their social obligations, in a manner that shall sustain the economic viability of the utility, subject to the approval of the ERC in the case of private or government-owned utilities. To this end, distribution utilities shall submit to the DOE their plans for serving such areas as part of their distribution development plans. Areas which a franchised distribution utility cannot or does not find viable may be transferred to another distribution utility, if any is available, who will provide the

service, subject to approval of ERC. In cases where franchise holders fail and/or refuse to service any area within their franchise's territory and allowed another utility to service the same, then the status quo shall be respected.

Based on the foregoing provision, a Distribution Utility (DU) shall have the obligation to provide distribution services and connections to its system for any end-user within its franchise area. However, the Commission is cognizant of the fact that there may be instances where a distribution utility fails or is unable to service any area within their franchise's territory and another utility is then allowed to service the same.

I. The Sale for Resale Agreement (SRA)

On 26 January 2009, the Commission adopted and promulgated Resolution No. 2, Series of 2009, entitled "***A Resolution Adopting the Rules for Recovery of Costs Associated with the "Sale for Resale Agreements" by, Between or Among Distribution Utilities,***" which provided the framework for the recovery of the DUs' costs associated with the "sale for resale agreements" entered into by, between or among themselves.

Article III, Section 1 of said Rules provides:

DUs who have existing unapproved "sale for resale agreements" and those who enter into such agreements after the effectivity of these Rules shall jointly file with the ERC, in accordance with the ERC Rules of Practice and Procedure, an application for approval of their "sale for resale agreements", which shall include: a) the DUs' agreements as to ownership of assets/facilities for the provision of services; b) arrangement with regards to the operation and maintenance of the assets/facilities; c) the billing functions of the parties; and d) the selling and the retail rates that the Selling DU and Buying DU, respectively, propose to implement.

Further, Sections 2, 3, and 4 of Article III of the Rules also provide that:

Section 2. Selling Rates. –The **selling rates** which shall be charged to the Buying DU for the supply of power shall be the summation of the **generation, transmission and allowable system loss rates, the Wheeling Rate and other pass-through charges approved by the Commission.** The **Wheeling Rate** shall be composed of the **distribution, supply, and metering costs of the Selling DU.** The application shall include the calculations and

supporting documents that will validate the basis of the proposed selling rates.

Section 3. Retail Rates. – The **retail rates**, which the Buying DU shall impose upon its customers in the area/s served or to be served under the “sale for resale agreements”, shall consist of the **costs for purchased power, allowable system loss, distribution, supply and metering for electric service, and other pass-through charges approved by the Commission.**

The **selling rates imposed upon** the Buying DU shall be recoverable and for this purpose **shall be included in its allowable generation charge** imposable on its customers in the area/s served or to be served under the “sale for resale agreement”.

Section 4. Imposition of Universal Charges and Lifeline Rates. – **Universal Charges and Lifeline Rates** shall not be included in the selling rates to be imposed on the buying DUs since these are charges imposable only on electricity end-users and the buying DUs cannot be treated as such.

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The purpose of the abovementioned provisions of the said Rules is to ensure that only the reasonable costs associated with the sale for resale agreements are recovered through the rates.

A Sale for Resale Agreement is intended to provide electricity to customers located in an area that is more readily served by a neighboring Distribution Utility (DU), despite being within the franchise area of another DU.

On 22 March 2024, CEDC and SCPC entered into a SRA. Subsequently, on 16 April 2024, CEDC and SCPC filed the subject *Joint Application* for the approval of their SRA, in compliance with ERC Resolution No. 02, Series of 2009. The purpose of SCPC for entering into such agreement with CEDC was to provide an immediate source of power, considering the expiration of the Temporary Power Supply Agreement (TPSA)⁶ between TARELCO II, SCPC and Bases Conversion Development Authority (BCDA) in April 2024.

⁶ BCDA acted as an agent for New Clark City (NCC) for the supply of energy power from the temporary tapping point between the NCC Substation and the TARELCO II 69 kV line which is sourced from Capas line in NGCP Conception substation. This meant that NCC Substation is a customer of TARELCO II.

Although SCPC has initiated its application for interconnection with the National Grid Corporation of the Philippines (NGCP) as early as July 2020 and has complied with the various technical requirements of NGCP to connect to the Dolores Substation, it was disclosed during the expository presentation that SCPC must still secure the approval of the Toll Regulatory Board (TRB) for the construction of the connection facilities which will traverse the Subic Expressway.

SCPC has submitted its Draft Transition Service Agreement (TSA) and Metering Service Agreement (MSA) to NGCP on 18 September 2023. Upon completion of the Application for Service Agreements (AFSA) Phase, SCPC will receive from NGCP the Certificate of Approval to Connect (CATC), but will require completion of the actual physical grid connection set up for energization.

The budget for the construction of this Grid connectivity was approved by the SCPC Board last year. However, prior to implementation, the project would still have to go through the finalization of the connection scheme with NGCP, detailed engineering design, securing right-of-way (ROW) and permits, before proceedings to the bidding process, project award, construction, and ultimately, energization.

On NGCP's end, SCPC mentioned in their *Supplemental Offer of Evidence* dated 15 July 2024 that the Grid connection will also require them to construct and/or set-up additional power circuit breaker, protection scheme and metering facilities. However, based on the recent discussions with NGCP, SCPC was asked to firm up on the termination bay for the NCC 69 kV line inside the Dolores Substation. Considering the shifting to another bay, SCPC may be required to go through the OTCA cycle again, which may result in its energization in 2025.

Based on the *Joint Application*, pending the completion of the process for SCPC's connection to the Grid, the SRA with CEDC serves as an interim arrangement to ensure the continuous supply of electricity to NCC. The arrangement likewise allows SCPC to source power at a lower cost than under its previous TPSA with TARELCO II, resulting in lower power costs to be passed on to its customers.

It was further alleged that, because NCC's current and prospective locators consist primarily of power-sensitive industrial and commercial customers, immediate access to safe, quality, reliable, and affordable power service is essential to attract investors.

Accordingly, the Commission examined the provisions of the SRA between CEDC and SCPC in relation to the the following conditions prescribed under Article III, Section 1 of Resolution No. 02, Series of 2009:

A. Ownership of the assets/facilities for the provision of services

Under the SRA, CEDC shall sell and deliver to SCPC electric power and energy necessary to serve the entire NCC development area. To facilitate the delivery of power, CEDC shall provide connections using its 69kV line connected to NGCP Transformer No. 6 (T6) to NCC Substation No. 1.

Further, CEDC shall supply electricity through its billing meters located at the termination point of its 69kV take-off point at the CEDC Dolores Substation.

SCPC's exisiting electrical system within NCC consists of a 33MVA, 69kV-13.8kV conventional substation supplying two (2) feeder circuits that serve the initial locators of NCC, Phase 1 of National Government Administrative Center (NGAC 1), and the customers inside NCC that were acquired from TARELCO II in late 2021. Subsequently, the 13.8kV Feeders were extended to accommodate additional customers energized from 2023 onwards.

B. Operation and maintenance of assets/facilities

CEDC shall own, install, operate, and maintain the line or service connections, transformers, meters, and other equipment necessary to provide electric service up to the point of delivery to SCPC. CEDC shall likewise install the metering facilities and replace its equipment in case of damage due to force majeure.

SCPC, on the other hand, shall own, install, operate, and maintain, in proper operating condition, the line or service connections, transformers, meters, and other equipment from the tapping points to the electrical facilities of customers within the NCC development area.

C. Billing functions of the parties

Section 2.2 of the SRA between CEDC and SCPC set forth the terms governing the monthly billing, applicable selling rates, classification of

SCPC as a 69 kV Commercial Primary Customer, bill deposit, billing schedule, and payment arrangements.

Under the SRA, CEDC's proposed selling rate to SCPC consists of the Blended Generation Charge, Transmission Charge, Distribution, Supply, and Metering (DSM) Charges, and System Loss Charges applicable to SCPC's classification as a 69kV Commercial Primary Customer. The Agreement further provides that CEDC shall not charge SCPC the Universal Charge and Feed-in Tariff Allowance (FIT-All) Charge, and CEDC shall notify PSALM and TransCo of this arrangement.

CEDC’s allowable Wheeling Rate shall be composed of the DSM Charges, as follows:

Table 1. CEDC’s Wheeling Rates

Particulars	69kV Commercial Primary Customer ⁷		
	PhP/kW	PhP/Cust./Mo.	PhP/Cust./Mo.
Distribution	318.76		
Supply		31,597.92	
Metering			65,791.53

D. Charges by CEDC (Selling DU) to SCPC (Buying DU) and the Retail Rates of SCPC to its Sale for Resale Customers

As previously discussed, the subject SRA classifies SCPC as a 69 kV Commercial Primary Customer, considering that majority of its customers are industrial locators within the NCC.

Figure 1 shows the power and distribution charges to be imposed by the Selling DU to the Buying DU, and the Buying DU to its End-User Customers under ERC Resolution No. 02, Series of 2009.

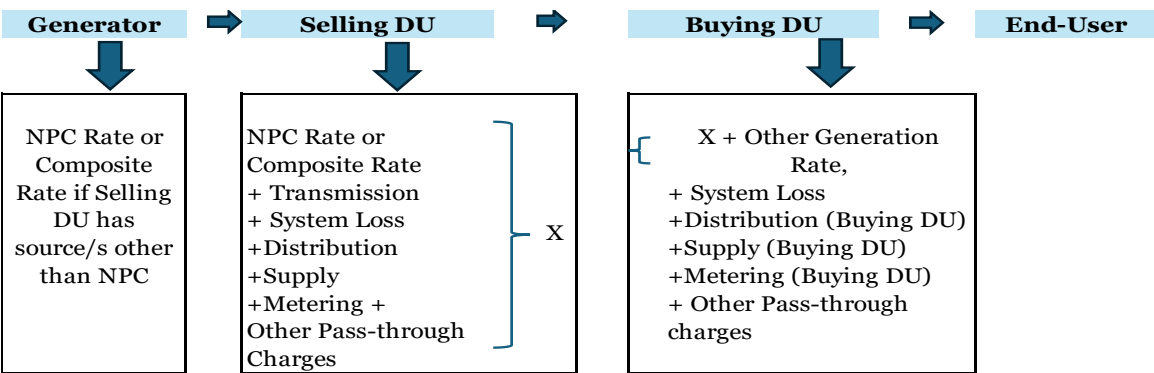


Figure 1. Power and Distribution Charges under ERC Resolution No. 02, Series of 2009

⁷ Approved CEDC 4th RY MAP under ERC Case No. 2014-130 RC dated 02 February 2015.

Upon review of the SRA, specifically on the components of the power and distribution charges to be imposed by the seller (CEDC) to the buyer (SCPC), and the components of the retail charges vis-a-vis ERC Resolution No. 02, Series of 2009, the Commission found that the components of the Seller’s charges (CEDC) and the components of the retail rates of the Buyer (SCPC) to its end-users are consistent with the ERC Resolution, which shows that the contract would ensure that only the reasonable costs associated with the SRAs are recovered through the rates of both the Seller (CEDC) and the Buyer (SCPC).

Further, the Commission examined the components of the selling rates as reflected in the actual bills for the month of May 2026, as presented in Table 2.

Table 2. Components of CEDC’s Selling Rates to SCPC for May 2026

Nature of Service	Unit	Price
Generation Charge	kWh	3.7533
Transmission Charge	kWh	1.3967
System Loss	kWh	0.0958
Distribution		
Distribution (Php/ kWh)	kWh	-
Distribution (Php/ kW)	kW	318.7600
Supply (Php/ kWh)	kWh	0.0000
Supply (per Cust.)	Cust	31,597.9200
Metering (per Cust.)	Cust	65,791.5300
Metering (Php/ kWh)	kWh	0.0000
Regulatory Reset Fee (Refund)	kWh	-0.0065
Generation VAT		0.3809
Preferential Tax Rate		0.0281
Systems Loss VAT		0.0096
Transmission VAT		0.1382
Fit-All (renewable)	kWh	0.0000
GEA-All	kWh	0.0000
UNLSR		0.0000
Universal Charges		
Misiionary Electrification	kWh	0.0000
Environmental Fund	kWh	0.0000
NPC Stranded Contract Costs	kWh	0.0000
Renewable Energy Devt	kWh	0.0000
NPC Stranded Debt	kWh	0.0000

The Commission confirms that the components of the selling rates are consistent with the provisions of the subject SRA and ERC Resolution No. 02, Series of 2009. Hence, the selling rates of CEDC to SCPC should

only include the following charges: Generation Charge, Transmission Charge, Allowable System Loss Rate, Distribution Charge, Supply Charge, Metering Charge, and other pass-through charges, as approved by the Commission.

Moreover, the Commission likewise confirms that the components of the retail rates being charged by SCPC to its customers under the SRA are also consistent with the subject Agreement and ERC Resolution No. 02, Series of 2009. SCPC’s actual retail rates are shown in Table 3.

Table 3. Components of SCPC’s Retail Rates to Customers⁸ for May 2026

Rate Component	Unit	Price
Purchased Power	kWh	7.0227
System Loss	kWh	0.1910
Distribution Charge	kWh	0.7390
Distribution Charge	kW	266.1800
Supply Charge	kWh	0.0000
Supply Charge	Cust	389.7100
Metering Charge	kWh	0.0000
Metering Charge	Cust	2017.8700
Government Taxes		
Local Franchise Tax		0.55%
Value Added Tax		
Purchased Power		12%
System Loss		12%
Distribution Charge (Php/kWh)	kWh	12%
Distribution Charge (Php/kW)	kW	12%
Supply Charge (Php/kWh)	kWh	12%
Supply Charge (Php/Cust/Mo.))	Cust	12%
Metering Charge (Php/kWh)	kWh	12%
Metering Charge (Php/Cust/Mo.))	Cust	12%
Universal Charges		
Lifeline Subsidy Rate	kWh	0.0100
UC-Missionary Electric for NPC-SPUG	kWh	0.2662
UC-Missionary Electric for REDCI	kWh	0.0101
Environmental Charge	kWh	0.0025
NPC Stranded Contract Costs	kWh	0
NPC Stranded Debts	kWh	0.0428
DU Stranded Contract Cost	kWh	0
Equalization Taxes and Royalties	kWh	0
FiT-All Charge	kWh	0.2011
GEA-All Charge	kWh	0

⁸ Refers to secondary customers (400/230V,>+5kW).

Thus, the retail rates that should be imposed by SCPC on its SRA customers should include only the following charges: Cost of Purchased Power (Selling Rates of CEDC), Allowable System Loss Rate, Distribution Charge, Supply Charge, Metering Charge, and other Pass-through Charges allowed by the Commission.

II. Motion for Extension of the Term of the SRA

Section 5 of the SRA provides for the term and effectivity of the Agreement of the parties, *to wit*:

5. TERM AND EFFECTIVITY

This Agreement shall be valid and binding upon signing by the PARTIES and shall be effective for a period of two (2) years, unless terminated by either party by serving written notice to the other at least thirty (30) days before the effective date of termination. This Agreement may also be extended upon written agreement by the PARTIES.

The SRA was executed on 20 March 2024 and remained effective until 20 March 2026.

In their *Motion for Extension of Term of Sale for Resale Agreement*, CEDC and SCPC alleged the following:

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4. The SRA, which was executed on 20 March 2024 and effective for a period of two (2) years, is set to expire on 20 March 2026.
5. It is important to note that the interim approval of the SRA allowed SCPC to purchase power from CEDC to serve its own customers, pending SCPC's actual connection to the Grid. SCPC's connection could not be completed at that time given the ongoing evaluation of the National Grid Corporation of the Philippines ("NGCP") on how to best connect the SCPC's 69kV line in consideration of other upcoming line projects also for connection to NGCP's Dolores Substation; hence, the Applicant's resort to the SRA.
6. While working on its grid connection, SCPC diligently worked on completing all requirements for the conduct of its own Competitive Selection Process ("CSP") as it transitions from the SRA. Despite its earnest efforts, SCPC's CSP could not push through as originally targeted in light of issues surrounding its physical connection to the Grid.

7. To ensure continuous electric service to SCPC's customers during this interim period, Applicants, pursuant to Section 5 of the SRA, formally entered into a Letter Agreement on 28 January 2026 (the "Letter Agreement") to extend the SRA for another two (2) years under the same terms and conditions. This will provide SCPC with sufficient time to finally complete its physical connection to the Grid and proceed with the CSP. A copy of the executed Letter Agreement is attached herein as Annex "A".
8. Given the exigencies surrounding this case, Applicants respectfully move for the immediate issuance of the order granting the extension of the SRA from 21 March 2026 until 20 March 2028 under the same terms and conditions as previously approved by the Honorable Commission for the implementation of the original SRA.

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A copy of the *Letter Agreement* dated 28 January 2026 was attached in the *Motion*, signed by both parties, agreeing on the extension of the SRA for another two (2) years, or until 20 March 2028, under the same ERC-approved terms and conditions.

The extension being sought is necessitated by exigent circumstances and if not approved, would place SCPC in a situation where it would be left without a source of power supply. Thus, the extension shall be deemed subsumed in the Final Authority granted herein, which shall remain effective until the expiration of the period agreed upon by the parties.

The Commission emphasizes, however, that the SRA is not intended to supplant the ordinary procurement framework applicable to DUs. Nevertheless, the circumstances of this case justify the continued implementation of the SRA. Records show that SCPC has yet to complete its physical connection to the transmission grid despite ongoing efforts to secure the necessary approvals and facilities. In the absence of such connection, SCPC is presently unable to procure power directly from generation companies through CSP and would otherwise be left without a viable source of supply for its customers. Thus, the SRA serves as a temporary and transitional arrangement to ensure continuous and reliable electric service pending SCPC's completion of its grid interconnection and eventual procurement of supply through CSP.

Accordingly, during the period covered by the extension, SCPC is directed to undertake a Competitive Selection Process (CSP) for its power requirements concurrently with the completion of its connection to the transmission grid, so as to ensure that, upon the completion of such connection, the resulting Power Supply Agreement(s) shall have been executed, perfected, and filed with the Commission for approval. This is intended to facilitate the timely transition from the interim supply arrangement under the SRA to a PSA procured through CSP.

With regard to the determination of whether SCPC's SRA with CEDC is more advantageous than its previous TPSA with TARELCO II, the Commission affirms its findings in the *Interim Relief Order* dated 30 September 2024, wherein it was determined that the generation charges under the CEDC contract are lower than those under SCPC's previous TPSA with TARELCO II.

In view of the need to ensure the continuous supply of electricity to the customers of SCPC, the Commission hereby adopts the evaluation and findings contained in the *Interim Relief Order* dated 30 September 2024 and the *Order* dated 08 September 2025, and incorporates the same as part of this *Decision* in granting Final Authority to implement the Sale for Resale Agreement (SRA) between CEDC and SCPC. The extension of the term of the SRA shall likewise be governed by, and remain subject to, the same terms and conditions embodied in the said *Orders*.

WHEREFORE, Clark Electric Distribution Corporation (CEDC) and Shin Clark Power Corporation (SCPC) are hereby **GRANTED FINAL AUTHORITY** to implement their Sale for Resale Agreement (SRA), subject to the terms and conditions indicated in the *Orders* dated 30 September 2024 and 08 September 2025.

FURTHER, the extension of the term of the SRA from 21 March 2026 to 20 March 2028, is hereby **APPROVED**, subject to the same terms and conditions governing the grant of final authority herein.

RELATIVE TO THE FOREGOING, SCPC is hereby **DIRECTED** to submit, within **fifteen (15) days** from the receipt of this *Decision*, a *Compliance Report or Compliance Plan* providing the status, timelines, and processes for: (a) the completion of its interconnection with the National Grid Corporation of the Philippines (NGCP); and (b) the conduct of a Competitive Selection Process (CSP) for its power requirements, in accordance with applicable laws, rules, and regulations.

Accordingly, SCPC is further directed to undertake the CSP for its power requirements concurrently with the completion of its interconnection to the transmission grid.

FINALLY, SCPC is hereby **DIRECTED** to file its *Compliance Report* upon the completion of the foregoing directives, including the execution and perfection of the resulting Power Supply Agreement(s) and the filing thereof with the Commission.

SO ORDERED.

Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:


FLORESINDA G. BALDO-DIGAL
Commissioner


AMANTE A. LIBERATO
Commissioner


PARIS G. REAL
Commissioner


LS: JRBC/ARG/MCCG


ROS: RSL/ABS/AJMO

**Approved and signed on 30 July 2026.*

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Bamban, Tarlac
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Bamban, Tarlac
15. Office of the Municipal Mayor
Capas, Tarlac
16. Office of the Local Government Unit (LGU) Legislative Body
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