

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

IN THE MATTER OF THE
PETITION FOR THE
AVAILMENT OF THE
ENVIRONMENTAL
CHARGE/SHARE FROM
THE UNIVERSAL CHARGE
FOR THE
REHABILITATION AND
MANAGEMENT OF
WATERSHED AREAS
(PLAN 14), WITH PRAYER
FOR PROVISIONAL
AUTHORITY,

NATIONAL POWER
CORPORATION,

ERC Case No.

2017-021 -rc

RECEIVED BY:

17 MAR 15 P 3:20

DOCKET / RECORDS

PETITION

PETITIONER NATIONAL POWER CORPORATION
(NPC), by counsel, unto this Honorable Commission, most respectfully states that:

1. Petitioner is a government owned-and-controlled corporation created and existing under and by virtue of Republic Act No. 6935, as amended (**NPC Charter**), with principal office address at NPC Office Building Complex, Quezon Avenue Corner BIR Road, Diliman, Quezon City, where it may be served with notices and other processes of the Honorable Commission;

2. Under the NPC Charter, particularly Section 3, paragraph (N) thereof, Petitioner is vested with the power to exercise complete jurisdiction and control over watersheds surrounding the reservoir of plants and/or projects it constructed;

3. To further strengthen its jurisdiction and control over watersheds, Executive Order (EO) No. 224 was issued on 16 July 1987, wherein Petitioner was granted complete jurisdiction, control and rehabilitation over the following watershed areas and reservations: (1) Upper Agno Watershed Reservation as covered by Proclamation No. 548; (2) Angat Watershed Reservation as covered by Proclamation Nos. 505 and 599; (3) Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573; (4) Makiling-Banahaw Geothermal Reservations as covered by Proclamation No. 1111; (5) Buhi-Barit Watershed as covered by Proclamation No. 573; (6) Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739;

4. Accordingly, Petitioner became responsible for the management, protection, development, and rehabilitation of the aforementioned watershed areas, including but not

limited to the following: (1) Enforcement of forestry laws, rules and regulations governing the Integrated Management of Watershed Reservation under Ministry Order No. 83-01-13, Series of 1982; (2) Identification of areas which required immediate rehabilitation and development; (3) Preparation of plans and programs using the integrated multiple use concept of Watershed Management for the maximum utilization of Watershed resources; (4) Formulation and/or implementation of measures to prevent denudation of the forest cover and siltation of existing reservoirs; (5) Public education and information drive to create awareness among the populace of the importance of forest resources and watershed areas; (6) Promotion of the development and conservation of existing vegetative cover; (7) Formulation of plans and development programs for resettlement and relocation; (8) Coordination with other government agencies/instrumentalities, religious and civil groups in undertaking forest conservation measures in watershed areas; (9) Afforestation, reforestation and physical rehabilitation measures in critically denuded watershed areas; (10) Development, maintenance and management of free farms within adequately vegetative watershed for the production of transmission line poles;

5. Petitioner's jurisdiction and control over watersheds was again recognized and reiterated in Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (**EPIRA**) and its Implementing Rules and Regulations (**IRR**), particularly Section 6 (c), Rule 23 of the IRR, wherein Petitioner is mandated to continue to be responsible for watershed rehabilitation and management;

6. Under the EPIRA, Petitioner is entitled to the Environmental Charge (**EC**) equivalent to one-fourth of one centavo per kilowatt-hour sales (P 0.0025/kWh), which forms part of the Universal Charge (UC). This environmental fund is intended solely for watershed rehabilitation and management and is being managed by Petitioner under existing arrangements. In order to avail said EC, Petitioner is required to submit to the Honorable Commission a petition for availment of the UC-EC in relation to the proposed watershed rehabilitation and management projects on or before March 15 every year. Hence, this petition;

7. In support of the instant Petition, Petitioner hereby submits the proposed operations plan for Calendar Year 2017 (hereinafter referred to as “**Plan 14**”) for the availment of the UC-EC for the rehabilitation and management of the watersheds. *(Attached as Annex “A” is the **Executive Summary** of Plan 14 which forms an integral part hereof);*

8. Plan 14 is crafted in order to intensify and strengthen Petitioner’s undertakings to address the issue on the uncontrolled deforestation especially in watershed areas. For the past 15 years (2002-2017), Petitioner has embarked on non-stop greening initiatives in its various watershed areas which have gained acceptance and cooperation by its stakeholders. In line with the Greening Program of the National Government, Petitioner’s Watershed Management Department (**WMD**) and its Watershed Area Teams (**WAT**) are committed to reforest idle/open and denuded areas and promote the use of indigenous species (Rainforestation) in its greening projects. Alongside with the greening programs, WMD intends to raise planting stocks primarily to share and disperse to qualified beneficiaries to plant trees in their respective communities;

9. Plan 14 is composed of programs and projects specified in Section 1 of Article II of the Rules and Procedure Governing the Utilization and Disbursement of UC-EC (**Rules**) with the proposed modes of procurement in implementing the same. In particular, Plan 14 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3) Watershed Resource Development; (4) Infrastructure; (5) Administrative and Project Operations and/or Supervision; (6) Equipment Acquisition; (7) Sustainability and Third-Party Evaluation; (8) Biodiversity and Ecotourism ; (9) Research Development. These programs and projects were recommended by the concerned WAT. And the same were reviewed and evaluated by the Head Office-WMD. *(Attached as Annexes “D” to “L” are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Magat, Mak-Ban, Patabangan, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);*

10. Plan 14 covers the six (6) watersheds over which Petitioner has complete jurisdiction and control by virtue

of EO 224, San Roque Watershed (Lower Agno) which is being managed by Petitioner for San Roque Multi-Purpose Project by virtue of PD 2320, Pantabangan and Magat Watersheds which Petitioner has an area sharing scheme with National Irrigation Administration, and Lake Lanao-Agus River and Pulangi Watershed Area which Petitioner has a Memorandum of Agreement with the Department of Environment and Natural Resources;

11. Plan 14 still forms part of the original 5-year Comprehensive Watershed Management Plan (CWMP) which was submitted by Petitioner on 15 March 2002, and aims to continue the remaining projects and programs therein. The instant petition is premised on the said CWMP. Likewise, Plan 14 is crafted with reference to the previous proposed plans submitted for the approval of the Honorable Commission;

12. Aside from maintaining the objectives of the previous proposed plans submitted to the Honorable Commission, Plan 14 particularly seeks to attain the rehabilitation through vegetative measures of 3,059 hectares; reduction of sedimentation and soil erosion inside Petitioner's reforestation areas of at least 2,880

tons/year (Saplaco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs; Strengthening and sustaining of 11 Bantay Watershed Task Force Group created purposely for the protection and conservation of the watershed areas; sustaining tapping more than 730 volunteers to augment the existing watershed protection personnel; employment of more or less 1,000 individuals from the local community; and, provide income through livelihood projects and produce from the established plantations;

13. Plan 14 complies with ERC Case Res. Nos. 18 Series of 2011, which requires Petitioner to conduct consultation with the Local Government Units (LGU) and LGAs where projects will be situated. Reference is made with those of the environmental projects of the LGUs and LGAs so that no duplication in the funding of projects will occur. Concerns of the stakeholders are brought to the attention of concerned WAT and this serves as the latter's guide in the packaging of Plan 14. This also ensures the support of the LGUs and the local communities for the proposed project;

14. In order to attain the objectives of Plan 14, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of **FOUR HUNDRED THIRTY ONE MILLION ONE HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED FOUR PESOS & 80/100 (PhP431,192,804.80)**, as shown in the Consolidated Financial Proposal (From the 11 Watershed Area Teams and WMD-based Head Office) attached as **Annex D**. This was computed based on existing rules and regulations prescribed for government projects;

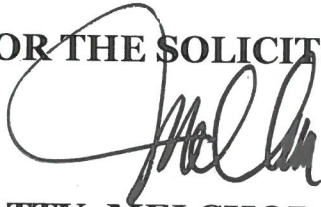
17. In compliance with Section 2 (b), Article II of the Rules, Petitioner furnished a copy of the instant petition to the Sangguniang Panlungsod and Office the City Mayor of Quezon City where Petitioner principally operates, and publish the same in a newspaper of general circulation. *(Attached as Annexes “M” and “N” are proofs of service and publication of the Petition.)*

WHEREFORE, premises considered, Petitioner prays that the instant petition be **APPROVED** by the Honorable Commission.

Petitioner prays for other just and equitable relief.

Quezon City for Pasig, 16 March 2017.

FOR THE SOLICITOR GENERAL



ATTY. MELCHOR P. RIDULME

Vice President – Legal Counsel

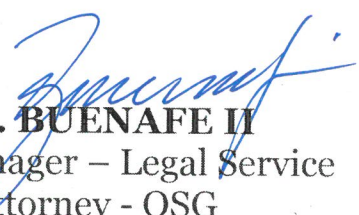
Special Attorney – OSG

Roll of Attorneys No. 37784

IBP Lifetime Membership No. 01748, Ilocos Sur

PTR No. 944009/ 01.05.16/ Quezon City

MCLE Compliance No. V-0004048/ 10.07.2014/ Pasig City



DELFIN L. BUENAFE II

Department Manager – Legal Service

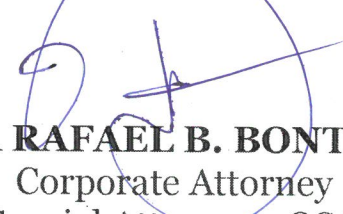
Special Attorney - OSG

Roll of Attorneys No. 48636

PTR No. 6828905/ 1.20.15/ Quezon City

IBP Lifetime Membership No. 012829; Quezon City

MCLE Compliance No. V-0004030/ 10.07.2014/ Pasig City



DIWA RAFAEL B. BONTUYAN

Corporate Attorney

Special Attorney - OSG

Roll of Attorneys No. 64390

PTR No. 1290725/ 1.05.15/ Quezon City

IBP Membership No. 1006807/ Quezon City

MCLE Compliance No. V - 0019297

diwa.rafael@gmail.org

**OFFICE OF THE GENERAL COUNSEL
NATIONAL POWER CORPORATION COMPLEX**

Quezon Avenue corner BIR Road

Diliman, Quezon City

Tel No. (02) 926-1837

Republic of the Philippines)
Quezon City) SS.

VERIFICATION AND CERTIFICATION

I, **ATTY. MELCHOR P. RIDULME**, of legal age, under oath, state that:

1. I am the Vice-President for Legal, at the same time, General Counsel of National Power Corporation, of the Petitioner;

2. Pursuant to **NPC Board Resolution No. 2001-134 (Annex "O")** I have caused the preparation of the foregoing **Petition** and have read and understood all the allegations contained therein, and the same are true and correct based on my own personal knowledge and authentic records;

3. I certify under oath that – a) the petitioner has not commenced any other action or proceeding which is pending in the Supreme Court, the Court of Appeals, or any other tribunal or agency; and b) to the best of my knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals, or any other tribunal or agency;

4. I likewise undertake that – a) If there is any such action or proceeding which is either pending or may have been terminated, I will state the status thereof; and b) If I should thereafter learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or any other tribunal or agency, I will undertake to report that fact within five (5) days there from to the court of agency wherein the original pleading and sworn certification contemplated in Administrative Circular No. 04-94 dated February 8, 1994 has been filed.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 10th day of March 2016 in Quezon City for Pasig City.

ATTY. MELCHOR P. RIDULME
Affiant

SUBSCRIBED AND SWORN to before me this 10th day of March 2016 in Quezon City. Affiant is personally known to me.

Doc. No. 610;
Page No. 122;
Book No. 11;
Series of 2015

ATTY. RODOLFO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-229
Commission Expires on December 31, 2017
IBP No. 1023936; 01/09/16; RSM
PTR No. 2389348; 02/04/16; Quezon City
Roll No. 44291
4th Floor NPC Office Building,
Quezon Ave. cor. BIR Road,
Diliman, Quezon City



National Power Corporation

EXCERPTS FROM THE MINUTES OF THE REGULAR MEETING OF THE NATIONAL POWER BOARD HELD ON NOVEMBER 14, 2001

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RESOLUTION NO. 2001-134

“WHEREAS, while the President of the National Power Corporation is intrinsically vested with authority to represent such entity in judicial and/or quasi-judicial proceedings, the Office of the Solicitor General noted instances wherein corresponding board resolutions, though not really necessary, designating these officers to sign the “verification” and “certification of non-forum shopping” of initiatory pleadings are being required by the courts;

WHEREAS, to address this problem, the Office of the Solicitor General requested that the authority of the President or, in his absence, another ranking official, to sign such pleadings be supported by a corresponding Board Resolution;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That, based on the request of the Office of the Solicitor General, the recommended authority for the President and Chief Executive Officer, or in his absence, the Vice-President, General Counsel, to represent the Corporation in judicial and/or quasi-judicial proceedings, with full power and authority to file and/or respond to, any action, petition, motion or pleading, as may be necessary, before the Supreme Court, Court of Appeals and/or other lower courts, tribunals or agencies, to sign and execute the required ‘verification’ and ‘certification of non-forum shopping’ and to do all other necessary acts as mandated by the Rules of Court and other related circulars, memoranda, etc., be and is hereby approved and confirmed.”

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**APPROVED AND CONFIRMED,
THRU REFERENDUM, NOVEMBER 16, 2001.**

CERTIFIED TRUE AND CORRECT:

ALBERTO L. PANGCOG
Corporate Secretary

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Ave., Pasig City

IN THE MATTER OF THE
PETITION FOR THE
AVAILMENT OF THE
ENVIRONMENTAL
CHARGE/SHARE FROM THE
UNIVERSAL CHARGE FOR
THE REHABILITATION AND
MANAGEMENT OF
WATERSHED AREAS (PLAN
14) WITH PRAYER FOR
PROVISIONAL AUTHORITY

18 JUL 31 2018

1194

Received By: _____

ERC Case No. 2017-021 RC

NATIONAL POWER
CORPORATION (NPC),
Petitioner.

X-----X

DOCKETED
Date: JUL 30 2018
By: _____

ORDER

On 15 March 2017, the National Power Corporation (NPC) filed a *Petition* dated 10 March 2017, seeking for the availment of the Environmental Charge (EC)/Share from the Universal Charge (UC) for the proposed operations plan for Calendar Year 2017, referred to as "Plan 14", for the rehabilitation and management of watershed areas.

In the *Petition*, NPC alleged the following:

1. Petitioner NPC is a government owned-and-controlled corporation created and existing under and by virtue of Republic Act No. 6935, as amended (NPC Charter), with principal office address at NPC Office Building Complex, Quezon Avenue Corner BIR Road, Diliman, Quezon City, where it may be served with notices and other processes of the Honorable Commission;
2. Under the NPC Charter, particularly Section 3, paragraph (N) thereof, Petitioner is vested with the power to exercise complete jurisdiction and control over watersheds surrounding the reservoir of plants and/or projects it constructed;

3. To further strengthen its jurisdiction and control over watersheds, Executive Order (EO) No. 224 was issued on 16 July 1987, wherein Petitioner was granted complete jurisdiction, control and rehabilitation over the following watershed areas and reservations: (1) Upper Agno Watershed reservation as covered by Proclamation No. 548; (2) Angat Watershed as covered by Proclamation Nos. 505 and 599; (3) Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573; (4) Makiling-Banahaw Geothermal Reservations as covered by Proclamation No. 1111; (5) Buhi-Barit Watershed covered by Proclamation No. 573; (6) Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739;
4. Accordingly, Petitioner became responsible for the management, protection, development, and rehabilitation of the aforementioned watershed areas, including but not limited to the following: (1) Enforcement of forestry laws, rules and regulations governing the Integrated Management of Watershed Reservation under Ministry Order No. 83-01-13, Series of 1982; (2) Identification of areas which required immediate rehabilitation and development; (3) Preparation of plans and programs using the integrated multiple use concept of Watershed Management for the maximum utilization of Watershed resources; (4) Formulation and/or implementation of measures to prevent denudation of the forest cover and siltation of existing reservoirs; (5) Public education and information drive to create awareness among the populace of the importance of forest resources and watershed areas; (6) Promotion of the development and conservation of existing vegetative cover; (7) Formulation of plans and development programs for resettlement and relocation; (8) Coordination with other government agencies/instrumentalities, religious and civil groups in undertaking forest conservation measures in watershed areas; (9) afforestation, reforestation and physical rehabilitation measures in critically denuded watershed areas; (10) Development, maintenance and management of free farms within adequately vegetative watershed for the production of transmission line poles;
5. Petitioner's jurisdiction and control over watershed was again recognized and reiterated in Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA) and its Implementing Rules and Regulations (IRR), particularly Section 6 (s), Rule 23 of the IRR, wherein Petitioner is mandated to continue to be responsible for watershed rehabilitation and management;
6. Under the EPIRA, Petitioner is entitled to the Environmental Charge (EC) equivalent to one-fourth of

one centavo per kilowatt-hour sales (Po.0025/kWh), which forms part of the Universal Charge (UC), this environmental fund is intended solely for watershed rehabilitation and management is being managed by Petitioner under existing arrangements. In order to avail said EC, Petitioner is required to submit to the Honorable Commission a petition for the availment of the UC-EC in relation to the proposed watershed rehabilitation and management projects on or before March 15 every year. Hence, this petition;

7. In support of the instant Petition, Petitioner hereby submits the proposed operations plan for Calendar Year 2017 (hereinafter referred to as "**Plan 14**") for the availment of the UC-EC for the rehabilitation and management of the watersheds. *(Attached as Annex "A" is the **Executive Summary** of Plan 14 which forms an integral part hereof);*
8. Plan 14 is crafted in order to intensify and strengthen Petitioner's undertakings to address the issue on the uncontrolled deforestation especially in watershed areas. For the past 15 years (2002-2017), Petitioner has embarked on non-stop greening initiatives in its various watershed areas which have gained acceptance and cooperation by its stakeholders. In line with the Greening Program of the National Government, Petitioner's Watershed Management Department (**WMD**) and its Watershed Area Teams (**WAT**) are committed to reforest idle/open and denuded areas and promote the use of indigenous species (Rainforestation) in its greening projects. Alongside with the greening programs, WMD intends to raise planting stocks primarily to share and disperse to qualified beneficiaries to plant trees in their respective communities;
9. Plan 14 is composed of programs and projects specified in Section 1 of Article II of the Rules and Procedure Governing the Utilization and Disbursement of UC-EC (**Rules**) with the proposed modes of procurements in implementing the same. In particular, Plan 14 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3) Watershed Resource Development; (4) Infrastructure; (5) Administrative and Project Operations and/or Supervision; (6) Equipment Acquisition; (7) Sustainability and Third-Party Evaluation; (8) Biodiversity and Ecotourism; (9) Research Development. These programs and projects were recommended by the concerned WAT. And the same were reviewed and evaluation by the Head Office-WMD. *(Attached as Annexes "D" to "L" are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Magat, Mak-Ban, Patabangan, Pulangi, San Roque, Tiwi,*

Upper Agno and the WMD-Head Office which forms an integral part hereof);

10. Plan 14 covers six (6) watershed over which Petitioner has complete jurisdiction and control by virtue of EO 224, San Roque Watershed (Lower Agno) which is being managed by Petitioner for San Roque Multi-Purpose Project by virtue of PD 2320, Pantabangan and Magat Watersheds which Petitioner has an area sharing scheme with National Irrigation Administration, and Lake Lanao-Agus River and Pulangi Watershed Area which Petitioner has a memorandum of Agreement with the Department of Environment and Natural Resources.
11. Plan 14 still forms part of the original 5-year Comprehensive Watershed Management Plan (CWMP) which was submitted by Petitioner on 15 March 2002, and aims to continue the remaining projects and programs therein. The instant petition is premised on the said CWMP. Likewise, Plan 14 is crafted with reference to the previous proposed plans submitted for the approval of the Honorable Commission;
12. Aside from maintaining the objectives of the previous proposed plans submitted to the Honorable Commission, Plan 14 particularly seeks to attain the rehabilitation through vegetative measures of 3,059 hectares of sedimentation and soil erosion inside Petitioner's reforestation areas of at least 2,880 tons/year (Saplaco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs' Strengthening and sustaining of 11 Bantay Watershed Task Force Group created purposely for the protection and conservation of the watershed areas; sustaining tapping more than 730 volunteers to augment the existing watershed protection personnel; employment of more or less 1,000 individuals from the local community; and, provide income through livelihood projects and produce from the established plantations;
13. Plan 14 complies with the ERC Case Res. Nos. 18, Series of 2011, which requires Petitioner to conduct consultation with the Local Government Units (LGU) and LGAs where projects will be situated. Reference is made with those of the environmental projects of the LGUs and LGAs so that no duplication in the funding of projects will occur. Concerns of the stakeholders are brought to the attention of concerned WAT and this serves as the latter's guide in packaging of Plan 14. This also ensures the support of the LGUs and the local communities for the proposed project;
14. In order to attain the objectives of Plan 14, Petitioner would need to avail and utilize the funds from the UC-EC

amounting to a total of **FOUR HUNDRED THIRTY ONE MILLION ONE HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED FOUR PESOS & 80/100 (PhP431,192,804.80)**, as shown in the Consolidated Financial Proposal (From the 11 Watershed Area Teams and WMD-based Head Office) attached as ***Annex D***. This was computed based on existing rules and regulations prescribed for government projects;

17. In compliance with Section 2 (b), Article II of the Rules, Petitioner furnished a copy of the instant petition to the Sangguniang Panlungsod and Office of the City Mayor of Quezon City where Petitioner principally operates, and publish the same in a newspaper of general circulation. (Attached as ***Annexes "M" and "N"*** are proofs of service and publication of the Petition.)

WHEREFORE, premises considered, Petitioner prays that the instant petition be APPROVED by the Honorable Commission.

Petitioner prays for other just and equitable relief.

Finding the said *Petition* to be sufficient in form with the required fees having been paid, the same is hereby set for initial hearing on the following dates and venues:

Date and Time	Venue	Particulars
18 September 2018 (Tuesday) at ten o'clock in the morning (10:00 A.M.)	ERC Hearing Room, 15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City	Jurisdictional and Expository Presentation
26 September 2018 (Wednesday) at two o'clock in the afternoon (2:00 P.M.)	Gladiola Hall, Benguet State University, La Trinidad, Benguet	Expository Presentation
02 October 2018 (Tuesday) at ten o'clock in the morning (10:00 A.M.)	Ibalong Conference Room, 2F Legazpi City Hall Annex Building, Rizal Street, Legazpi City	Expository Presentation
11 October 2018 (Thursday) at ten o'clock in the morning (10:00 A.M.)	Central Mindanao University, Maramag, Bukidnon	Expository Presentation
16 October 2018	ERC Hearing Room,	Pre-Trial

(Tuesday) at ten o'clock in the morning (10:00 A.M.)	15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City	Conference and Evidentiary Hearing
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Accordingly, NPC is hereby directed to:

- 1) Cause the publication of the attached Notice of Public Hearing in two (2) newspapers of national 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 City/Municipal Mayors and their Local Government Unit (LGU) legislative bodies within the affected watershed areas, and the City Mayor and LGU legislative body of Quezon City for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform of the filing of the *Petition*, its reasons therefor, and of the scheduled hearing thereon the consumers within the affected watershed areas, by any other means available and appropriate;
- 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 at the scheduled hearing; and
- 5) Furnish with copies of the *Petition*, and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

On the date of the initial hearing, Petitioner must submit to the Commission its written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked the following:

- 1) The evidence of publication of the attached Notice of Public Hearing consisting of affidavits of the Editors or Business Manager of the newspapers where the said Notice of Public Hearing were 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 Governor and LGU legislative bodies or their duly authorized representatives bearing the seals of their offices.
- 3) The evidence of the means employed by Petitioner to inform of the filing of the *Petition*, its reasons therefor, and of the scheduled hearing thereon, the consumers within the affected watershed areas;
- 4) The evidence of receipt of copies of this Order and the attached Notice of Public Hearing by the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of the 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.

Petitioner and all interested parties are directed to submit, at least five (5) days before the date of initial 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 therefore; and

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

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

NPC must also be prepared to make an Expository Presentation of its *Petition*, aided by whatever communication medium they 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, what the *Petition* is all about and the reasons and justifications being cited in support thereof.

SO ORDERED.

Pasig City, 10 July 2018.

FOR AND BY AUTHORITY
OF THE COMMISSION:


AGNES VST DEVANADERA
Chairperson and CEO

2V

LS/JTB/LS/APV

ROS: AMDB / AJMO / FID



Copy furnished:

1. Atty. Melchor P. Ridulme, Atty. Delfin L. Buenafe II,
Atty. May Rose C. Pintor, and Atty. Diwa Rafael B. Bontuyan
Counsels for National Power Corporation
Office of the General Counsel
National Power Corporation
BIR Road cor. Quezon Avenue, Diliman, Quezon City
2. National Power Corporation
Applicant
BIR Road cor. Quezon Avenue, Diliman, Quezon City
3. Office of the Solicitor General
134 Amorsolo Street, Legaspi Village
Makati City
4. Commission on Audit
Commonwealth Avenue
Quezon City
5. Senate Committee on Energy
GSIS Building, Roxas Boulevard
Pasay City
6. House Committee on Energy
Batasan Hills
Quezon City
7. The Administrator
National Electrification Administration (NEA)
Quezon Avenue, Quezon City
8. The General Manager
Philippine Rural Electric Cooperative Association (PHILRECA)
4th Floor, Casman Building
372 Quezon Avenue, Quezon City
9. All Distribution Utilities
10. Office of the Governor ✓
Province of Bulacan
11. Office of the LGU legislative body
Province of Bulacan
12. Office of the Mayor ✓
San Jose Del Monte, Bulacan
13. Office of the LGU legislative body
San Jose Del Monte, Bulacan
14. Office of the Mayor ✓
Norzagaray, Bulacan
15. Office of the LGU legislative body ✓
Norzagaray, Bulacan
16. Office of the Mayor
Dona Remedios Trinidad, Bulacan
17. Office of the LGU legislative body
Dona Remedios Trinidad, Bulacan
18. Office of the Governor

19. Office of the Governor
Province of Ifugao ✓
20. Office of the LGU legislative body ✓
Province of Ifugao
21. Office of the Governor ✓
Province of Isabela
22. Office of the LGU legislative body ✓
Province of Isabela
23. Office of the Mayor ✓
Aguinaldo, Isabela
24. Office of the LGU legislative body ✓
Aguinaldo, Isabela
25. Office of the Mayor ✓
Alfonso Lista, Isabela
26. Office of the LGU legislative body ✓
Alfonso Lista, Isabela
27. Office of the Mayor
Ramon, Isabela ✓
28. Office of the LGU legislative body
Ramon, Isabela ✓
29. Office of the Governor
Province of Nueva Ecija ✓
30. Office of the LGU legislative body ✓
Province of Nueva Ecija
31. Office of the Mayor
Pantabangan, Nueva Ecija ✓
32. Office of the LGU legislative body ✓
Pantabangan, Nueva Ecija
33. Office of the Mayor
Carranglan, Nueva Ecija ✓
34. Office of the LGU legislative body ✓
Carranglan, Nueva Ecija
35. Office of the Governor
Province of Pangasinan ✓
36. Office of the LGU legislative body ✓
Province of Pangasinan
37. Office of the Mayor ✓
San Nicolas, Pangasinan
38. Office of the LGU legislative body ✓
San Nicolas, Pangasinan
39. Office of the Mayor ✓
San Manuel, Pangasinan
40. Office of the LGU legislative body ✓
San Manuel, Pangasinan

- A 41. Office of the Governor
Province of Benguet ✓
- B 42. Office of the LGU legislative body
Province of Benguet ✓
43. Office of the Mayor
Atok, Benguet ✓
44. Office of the LGU legislative body
Atok, Benguet ✓
- A 45. Office of the Governor
Province of Benguet
- B 46. Office of the LGU legislative body
Province of Benguet
47. Office of the Mayor
Bakun, Benguet ✓
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Bakun, Benguet ✓
49. Office of the Mayor
Bokod, Benguet ✓
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Bokod, Benguet ✓
51. Office of the Mayor
Buguias, Benguet ✓
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Buguias, Benguet ✓
53. Office of the Mayor
Itogon, Benguet ✓
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55. Office of the Mayor
Kabayan, Benguet ✓
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57. Office of the Mayor
Kibungan, Benguet ✓
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Kibungan, Benguet ✓
59. Office of the Mayor
La Trinidad, Benguet ✓
60. Office of the LGU legislative body
La Trinidad, Benguet ✓
61. Office of the Mayor
Tublay, Benguet ✓
62. Office of the LGU legislative body
Tublay, Benguet ✓

- 63. Office of the Mayor ✓
Hungduan, Ifugao
- 64. Office of the LGU legislative body ✓
Hungduan, Ifugao
- 65. Office of the Mayor ✓
Tinoc, Ifugao
- 66. Office of the LGU legislative body ✓
Tinoc, Ifugao
- 67. Office of the Mayor ✓
Bauko, Mt. Province
- 68. Office of the LGU legislative body ✓
Bauko, Mt. Province
- 69. Office of the Governor ✓
Province of Camarines Sur
- 70. Office of the LGU legislative body ✓
Province of Camarines Sur
- 71. Office of the Mayor ✓
Buhi, Camarines Sur
- 72. Office of the LGU legislative body ✓
Buhi, Camarines Sur
- 73. Office of the Governor ✓
Province of Laguna
- 74. Office of the LGU legislative body ✓
Province of Laguna
- 75. Office of the Mayor ✓
Cavinti, Laguna
- 76. Office of the LGU legislative body ✓
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- 77. Office of the Mayor ✓
Lumban, Laguna
- 78. Office of the LGU legislative body ✓
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- 79. Office of the Mayor ✓
Kalayaan, Laguna
- 80. Office of the LGU legislative body ✓
Kalayaan, Laguna
- 81. Office of the Mayor ✓
Alaminos, Laguna
- 82. Office of the LGU legislative body ✓
Alaminos, Laguna
- 83. Office of the Mayor ✓
Bay, Laguna
- 84. Office of the LGU legislative body ✓
Bay, Laguna

- 85. Office of the Mayor
Calauan, Laguna ✓
- 86. Office of the LGU legislative body
Calauan, Laguna
- 87. Office of the Mayor
Liliw, Laguna ✓
- 88. Office of the LGU legislative body
Liliw, Laguna ✓
- 89. Office of the Mayor
Los Baños, Laguna ✓
- 90. Office of the LGU legislative body
Los Baños, Laguna ✓
- 91. Office of the Mayor
Luisiana, Laguna ✓
- 92. Office of the LGU legislative body
Luisiana, Laguna ✓
- 93. Office of the Mayor
Magdalena, Laguna ✓
- 94. Office of the LGU legislative body
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- 95. Office of the Mayor
Majayjay, Laguna ✓
- 96. Office of the LGU legislative body
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- 97. Office of the Mayor
Nagcarlan, Laguna ✓
- 98. Office of the LGU legislative body
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- 99. Office of the Mayor
Pagsanjan, Laguna ✓
- 100. Office of the LGU legislative body
Pagsanjan, Laguna ✓
- 101. Office of the Mayor
Pila, Laguna ✓
- 102. Office of the LGU legislative body
Pila, Laguna ✓
- 103. Office of the Mayor
Rizal, Laguna ✓
- 104. Office of the LGU legislative body
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- 105. Office of the Mayor
Sta. Cruz, Laguna ✓
- 106. Office of the LGU legislative body
Sta. Cruz, Laguna ✓

- 107. Office of the Mayor
Victoria, Laguna ✓
- 108. Office of the LGU legislative body
Victoria, Laguna ✓
- 109. Office of the Mayor
San Pablo City, Laguna ✓
- 110. Office of the LGU legislative body
San Pablo City, Laguna ✓
- 111. Office of the Mayor
Calamba City, Laguna ✓
- 112. Office of the LGU legislative body
Calamba City, Laguna ✓
- 113. Office of the Governor
Province of Batangas ✓
- 114. Office of the LGU legislative body
Province of Batangas ✓
- 115. Office of the Mayor
Balete, Batangas ✓
- 116. Office of the LGU legislative body
Balete, Batangas ✓
- 117. Office of the Mayor
Cuenca, Batangas ✓
- 118. Office of the LGU legislative body
Cuenca, Batangas ✓
- 119. Office of the Mayor
Malvar, Batangas ✓
- 120. Office of the LGU legislative body
Malvar, Batangas ✓
- 121. Office of the Mayor
Mataas na Kahoy, Batangas ✓
- 122. Office of the LGU legislative body
Mataas na Kahoy, Batangas ✓
- 123. Office of the Mayor
San Jose, Batangas ✓
- 124. Office of the LGU legislative body
San Jose, Batangas ✓
- 125. Office of the Mayor
Sto. Tomas, Batangas ✓
- 126. Office of the LGU legislative body
Sto. Tomas, Batangas ✓
- 127. Office of the Mayor
Lipa City, Batangas ✓
- 128. Office of the LGU legislative body
Lipa City, Batangas ✓

129. Office of the Mayor
Tanauan City, Batangas ✓
130. Office of the LGU legislative body
Tanauan City, Batangas ✓
131. Office of the Governor
Province of Quezon ✓
132. Office of the LGU legislative body
Province of Quezon ✓
133. Office of the Mayor
Candelaria, Quezon ✓
134. Office of the LGU legislative body
Candelaria, Quezon ✓
135. Office of the Mayor
Dolores, Quezon ✓
136. Office of the LGU legislative body
Dolores, Quezon ✓
137. Office of the Mayor
San Antonio, Quezon ✓
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San Antonio, Quezon ✓
139. Office of the Mayor
Sariaya, Quezon ✓
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Sariaya, Quezon ✓
141. Office of the Mayor
Tiaong, Quezon ✓
142. Office of the LGU legislative body
Tiaong, Quezon ✓
143. Office of the Governor
Province of Albay
144. Office of the LGU legislative body
Province of Albay ✓
145. Office of the Mayor
Tiwi, Albay
146. Office of the LGU legislative body
Tiwi, Albay ✓
147. Office of the Mayor
Malinao, Albay ✓
148. Office of the LGU legislative body
Malinao, Albay ✓
149. Office of the Governor
Province of Lanao del Sur ✓
150. Office of the LGU legislative body
Province of Lanao del Sur ✓

- 151. Office of the Mayor
Marawi City, Lanao del Sur ✓
- 152. Office of the LGU legislative body
Marawi City, Lanao del Sur ✓
- 153. Office of the Mayor
Ditsaan-Ramain, Lanao del Sur ✓
- 154. Office of the LGU legislative body
Ditsaan-Ramain, Lanao del Sur ✓
- 155. Office of the Mayor
Bubong, Lanao del Sur ✓
- 156. Office of the LGU legislative body
Bubong, Lanao del Sur ✓
- 157. Office of the Mayor
Buadiposo Buntong, Lanao del Sur ✓
- 158. Office of the LGU legislative body
Buadiposo Buntong, Lanao del Sur ✓
- 159. Office of the Mayor
Maguing, Lanao del Sur ✓
- 160. Office of the LGU legislative body
Maguing, Lanao del Sur ✓
- 161. Office of the Mayor
Mulondo, Lanao del Sur ✓
- 162. Office of the LGU legislative body
Mulondo, Lanao del Sur ✓
- 163. Office of the Mayor
Taraka, Lanao del Sur ✓
- 164. Office of the LGU legislative body
Taraka, Lanao del Sur ✓
- 165. Office of the Mayor
Tamparan, Lanao del Sur ✓
- 166. Office of the LGU legislative body
Tamparan, Lanao del Sur ✓
- 167. Office of the Mayor
Bayabao, Lanao del Sur ✓
- 168. Office of the LGU legislative body
Bayabao, Lanao del Sur ✓
- 169. Office of the Mayor
Poonabayabao, Lanao del Sur ✓
- 170. Office of the LGU legislative body
Poonabayabao, Lanao del Sur ✓
- 171. Office of the Mayor
Lumbayanague, Lanao del Sur ✓
- 172. Office of the LGU legislative body
Lumbayanague, Lanao del Sur ✓

- 173. Office of the Mayor
Lumbatan, Lanao del Sur ✓
- 174. Office of the LGU legislative body
Lumbatan, Lanao del Sur ✓
- 175. Office of the Mayor
Saguiran, Lanao del Sur ✓
- 176. Office of the LGU legislative body
Saguiran, Lanao del Sur ✓
- 177. Office of the Mayor
Piagapo, Lanao del Sur ✓
- 178. Office of the LGU legislative body
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- 179. Office of the Mayor
Marantao, Lanao del Sur ✓
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Marantao, Lanao del Sur ✓
- 181. Office of the Mayor
Balindong, Lanao del Sur ✓
- 182. Office of the LGU legislative body
Balindong, Lanao del Sur ✓
- 183. Office of the Mayor
Tugaya, Lanao del Sur ✓
- 184. Office of the LGU legislative body
Tugaya, Lanao del Sur ✓
- 185. Office of the Mayor
Bacolod Kalawi, Lanao del Sur ✓
- 186. Office of the LGU legislative body
Bacolod Kalawi, Lanao del Sur ✓
- 187. Office of the Mayor
Madalum, Lanao del Sur ✓
- 188. Office of the LGU legislative body
Madalum, Lanao del Sur ✓
- 189. Office of the Mayor
Madamba, Lanao del Sur ✓
- 190. Office of the LGU legislative body
Madamba, Lanao del Sur ✓
- 191. Office of the Mayor
Ganassi, Lanao del Sur ✓
- 192. Office of the LGU legislative body
Ganassi, Lanao del Sur ✓
- 193. Office of the Mayor
Pagayawan, Lanao del Sur ✓
- 194. Office of the LGU legislative body
Pagayawan, Lanao del Sur ✓

- 195. Office of the Mayor
Pualas, Lanao del Sur ✓
- 196. Office of the LGU legislative body
Pualas, Lanao del Sur ✓
- 197. Office of the Mayor
Binidayan, Lanao del Sur ✓
- 198. Office of the LGU legislative body
Binidayan, Lanao del Sur ✓
- 199. Office of the Mayor
Bayang, Lanao del Sur ✓
- 200. Office of the LGU legislative body
Bayang, Lanao del Sur ✓
- 201. Office of the Mayor
Butig, Lanao del Sur ✓
- 202. Office of the LGU legislative body
Butig, Lanao del Sur ✓
- 203. Office of the Governor
Province of Lanao del Norte ✓
- 204. Office of the LGU legislative body
Province of Lanao del Norte ✓
- 205. Office of the Mayor
Pantar, Lanao del Norte ✓
- 206. Office of the LGU legislative body
Pantar, Lanao del Norte ✓
- 207. Office of the Mayor
Balo-i, Lanao del Norte ✓
- 208. Office of the LGU legislative body
Balo-i, Lanao del Norte ✓
- 209. Office of the Mayor
Pantao Ragat, Lanao del Norte ✓
- 210. Office of the LGU legislative body
Pantao Ragat, Lanao del Norte ✓
- 211. Office of the Mayor
Matungao, Lanao del Norte ✓
- 212. Office of the LGU legislative body
Matungao, Lanao del Norte ✓
- 213. Office of the Mayor
Iligan City, Lanao Del Norte ✓
- 214. Office of the LGU legislative body
Iligan City, Lanao Del Norte ✓
- 215. Office of the Governor
Province of Bukidnon ✓
- 216. Office of the LGU legislative body
Province of Bukidnon ✓

- 216. Office of the Mayor
Malaybalay, Bukidnon ✓
- 217. Office of the LGU legislative body
Malaybalay, Bukidnon ✓
- 218. Office of the Mayor
Maramag, Bukidnon ✓
- 219. Office of the LGU legislative body
Maramag, Bukidnon ✓
- 220. Office of the Mayor
San Fernando, Bukidnon ✓
- 221. Office of the LGU legislative body
San Fernando, Bukidnon ✓
- 222. Office of the Mayor
Lantapan, Bukidnon —
- 223. Office of the LGU legislative body
Lantapan, Bukidnon ✓
- 224. Office of the Mayor
Valencia City, Bukidnon ✓
- 225. Office of the LGU legislative body
Valencia City, Bukidnon ✓
- 226. Office of the Mayor
Cabanglasan, Lanao del Norte ✓
- 227. Office of the LGU legislative body
Cabanglasan, Lanao del Norte ✓
- 228. Office of the Governor
Province of Rizal —
- 229. Office of the LGU legislative body
Province of Rizal ✓
- 230. National Commission on Indigenous People (NCIP)
2nd Floor N. dela Merced Building, Cor. West and Quezon Avenues, Quezon City
- 231. Foundation for the Philippine Environment (FPE)
77 Matahimik Street, Teacher's Village, Diliman, Quezon City 1101
- 232. Bukidnon Higaonon Tribal Association (BUHITA)
Dampog Residence Sta. Cruz St. Sumpong, Malaybalay City, Bukidnon
- 233. Regulatory Operations Service
17th Floor Pacific Center, San Miguel Avenue, Pasig City

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

IN THE MATTER OF THE
PETITION FOR THE
AVAILMENT OF THE
ENVIRONMENTAL
CHARGE/SHARE FROM
THE UNIVERSAL CHARGE
FOR THE REHABILITATION
AND MANAGEMENT OF
WATERSHED AREAS (PLAN
14) WITH PRAYER FOR
PROVISIONAL AUTHORITY

ERC CASE NO. 2017-021 RC

NATIONAL POWER
CORPORATION (NPC),
Petitioner.

X-----X

D O C K E T B D
Date: JUL 30 2017
By: *[Signature]*

NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 15 March 2017, the National Power Corporation (NPC) filed a *Petition* dated 10 March 2017, seeking the availment of the Environmental Charge (EC)/Share from the Universal Charge (UC) for the proposed operations plan for Calendar Year 2017, referred to as "Plan 14", for the rehabilitation and management of watershed areas.

In the *Petition*, NPC alleged the following:

1. Petitioner NPC is a government owned-and-controlled corporation created and existing under and by virtue of Republic Act No. 6935, as amended (NPC Charter), with principal office address at NPC Office Building Complex, Quezon Avenue Corner BIR Road, Diliman, Quezon City, where it may be served with notices and other processes of the Honorable Commission;
2. Under the NPC Charter, particularly Section 3, paragraph (N) thereof, Petitioner is vested with the power to exercise complete jurisdiction and control over

watersheds surrounding the reservoir of plants and/or projects it constructed;

3. To further strengthen its jurisdiction and control over watersheds, Executive Order (EO) No. 224 was issued on 16 July 1987, wherein Petitioner was granted complete jurisdiction, control and rehabilitation over the following watershed areas and reservations: (1) Upper Agno Watershed reservation as covered by Proclamation No. 548; (2) Angat Watershed as covered by Proclamation Nos. 505 and 599; (3) Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573; (4) Makiling-Banahaw Geothermal Reservations as covered by Proclamation No. 1111; (5) Buhi-Barit Watershed covered by Proclamation No. 573; (6) Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739;
4. Accordingly, Petitioner became responsible for the management, protection, development, and rehabilitation of the aforementioned watershed areas, including but not limited to the following: (1) Enforcement of forestry laws, rules and regulations governing the Integrated Management of Watershed Reservation under Ministry Order No. 83-01-13, Series of 1982; (2) Identification of areas which required immediate rehabilitation and development; (3) Preparation of plans and programs using the integrated multiple use concept of Watershed Management for the maximum utilization of Watershed resources; (4) Formulation and/or implementation of measures to prevent denudation of the forest cover and siltation of existing reservoirs; (5) Public education and information drive to create awareness among the populace of the importance of forest resources and watershed areas; (6) Promotion of the development and conservation of existing vegetative cover; (7) Formulation of plans and development programs for resettlement and relocation; (8) Coordination with other government agencies/instrumentalities, religious and civil groups in undertaking forest conservation measures in watershed areas; (9) afforestation, reforestation and physical rehabilitation measures in critically denuded watershed areas; (10) Development, maintenance and management of free farms within adequately vegetative watershed for the production of transmission line poles;
5. Petitioner's jurisdiction and control over watershed was again recognized and reiterated in Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA) and its Implementing Rules and Regulations (IRR), particularly Section 6 (s), Rule 23 of the IRR, wherein Petitioner is mandated to continue to be responsible for watershed rehabilitation and management;

6. Under the EPIRA, Petitioner is entitled to the Environmental Charge (EC) equivalent to one-fourth of one centavo per kilowatt-hour sales (Po.0025/kWh), which forms part of the Universal Charge (UC), this environmental fund is intended solely for watershed rehabilitation and management is being managed by Petitioner under existing arrangements. In order to avail said EC, Petitioner is required to submit to the Honorable Commission a petition for the availment of the UC-EC in relation to the proposed watershed rehabilitation and management projects on or before March 15 every year. Hence, this petition;
7. In support of the instant Petition, Petitioner hereby submits the proposed operations plan for Calendar Year 2017 (hereinafter referred to as "**Plan 14**") for the availment of the UC-EC for the rehabilitation and management of the watersheds. *(Attached as Annex "A" is the Executive Summary of Plan 14 which forms an integral part hereof);*
8. Plan 14 was crafted in order to intensify and strengthen Petitioner's undertakings to address the issue on the uncontrolled deforestation especially in watershed areas. For the past 15 years (2002-2017), Petitioner has embarked on non-stop greening initiatives in its various watershed areas which have gained acceptance and cooperation by its stakeholders. In line with the Greening Program of the National Government, Petitioner's Watershed Management Department (WMD) and its Watershed Area Teams (WAT) are committed to reforest idle/open and denuded areas and promote the use of indigenous species (Rainforestation) in its greening projects. Alongside with the greening programs, WMD intends to raise planting stocks primarily to share and disperse to qualified beneficiaries to plant trees in their respective communities;
9. Plan 14 is composed of programs and projects specified in Section 1 of Article II of the Rules and Procedure Governing the Utilization and Disbursement of UC-EC (**Rules**) with the proposed modes of procurements in implementing the same. In particular, Plan 14 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3) Watershed Resource Development; (4) Infrastructure; (5) Administrative and Project Operations and/or Supervision; (6) Equipment Acquisition; (7) Sustainability and Third-Party Evaluation; (8) Biodiversity and Ecotourism; (9) Research Development. These programs and projects were recommended by the concerned WAT. And the same were reviewed and evaluation by the Head Office-WMD. *(Attached as Annexes "D" to "L" are the proposed plans of the WATs assigned in Angat, Buhi-*

Barit, Caliraya-Lumot, Lake-Lanao Agus River, Magat, Mak-Ban, Patabangan, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);

10. Plan 14 covers six (6) watershed over which Petitioner has complete jurisdiction and control by virtue of EO 224, San Roque Watershed (Lower Agno) which is being managed by Petitioner for San Roque Multi-Purpose Project by virtue of PD 2320, Pantabangan and Magat Watersheds which Petitioner has an area sharing scheme with National Irrigation Administration, and Lake Lanao-Agus River and Pulangi Watershed Area which Petitioner has a memorandum of Agreement with the Department of Environment and Natural Resources.
11. Plan 14 still forms part of the original 5-year Comprehensive Watershed Management Plan (CWMP) which was submitted by Petitioner on 15 March 2002, and aims to continue the remaining projects and programs therein. The instant petition is premised on the said CWMP. Likewise, Plan 14 is crafted with reference to the previous proposed plans submitted for the approval of the Honorable Commission;
12. Aside from maintaining the objectives of the previous proposed plans submitted to the Honorable Commission, Plan 14 particularly seeks to attain the rehabilitation through vegetative measures of 3,059 hectares of sedimentation and soil erosion inside Petitioner's reforestation areas of at least 2,880 tons/year (Saplaco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs' Strengthening and sustaining of 11 Bantay Watershed Task Force Group created purposely for the protection and conservation of the watershed areas; sustaining tapping more than 730 volunteers to augment the existing watershed protection personnel; employment of more or less 1,000 individuals from the local community; and, provide income through livelihood projects and produce from the established plantations;
13. Plan 14 complies with the ERC Case Res. Nos. 18, Series of 2011, which requires Petitioner to conduct consultation with the Local Government Units (LGU) and LGAs where projects will be situated. Reference is made with those of the environmental projects of the LGUs and LGAs so that no duplication in the funding of projects will occur. Concerns of the stakeholders are brought to the attention of concerned WAT and this serves as the latter's guide in packaging of Plan 14. This also ensures the support of the LGUs and the local communities for the proposed project;

14. In order to attain the objectives of Plan 14, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of **FOUR HUNDRED THIRTY ONE MILLION ONE HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED FOUR PESOS & 80/100 (PhP431,192,804.80)**, as shown in the Consolidated Financial Proposal (From the 11 Watershed Area Teams and WMD-based Head Office) attached as **Annex D**. This was computed based on existing rules and regulations prescribed for government projects;
17. In compliance with Section 2 (b), Article II of the Rules, Petitioner furnished a copy of the instant petition to the Sangguniang Panlungsod and Office of the City Mayor of Quezon City where Petitioner principally operates, and publish the same in a newspaper of general circulation. (Attached as **Annexes "M" and "N"** are proofs of service and publication of the Petition.)

WHEREFORE, premises considered, Petitioner prays that the instant petition be **APPROVED** by the Honorable Commission.

Petitioner prays for other just and equitable relief.

The Commission has set the *Petition* for hearing on the following dates and venues:

Date and Time	Venue	Particulars
18 September 2018 (Tuesday) at ten o'clock in the morning (10:00 A.M.)	ERC Hearing Room, 15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City	Jurisdictional and Expository Presentation
26 September 2018 (Wednesday) at two o'clock in the afternoon (2:00 P.M.)	Gladiola Hall, Benguet State University, La Trinidad, Benguet	Expository Presentation
02 October 2018 (Tuesday) at ten o'clock in the morning (10:00 A.M.)	Ibalong Conference Room, 2F Legazpi City Hall Annex Building, Rizal Street, Legazpi City	Expository Presentation
11 October 2018 (Thursday) at ten o'clock in the morning (10:00 A.M.)	Central Mindanao University, Maramag, Bukidnon	Expository Presentation
16 October 2018	ERC Hearing Room,	Pre-Trial

(Tuesday) at ten o'clock in the morning (10:00 A.M.)	15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City	Conference and Evidentiary Hearing
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All persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission a verified Petition to Intervene at least five (5) days prior to the initial hearing and subject to the requirements under Rule 9 of the 2006 ERC Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name and address;
- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and
- 3) A statement of the relief desired.

All other persons who may want their views known to the Commission with respect to the subject matter of the case may file their Opposition or Comment thereon at any stage of the proceeding before Petitioner rests its case, subject to the requirements under Rule 9 of the 2006 ERC Rules of Practice and Procedure. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name and address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

(This space is left intentionally blank.)

All such persons who wish to have a copy of the *Petition* may request from Applicant that they be furnished with the same prior to the date of the initial hearing. Applicant is hereby directed to furnish all those making such request with copies of the *Petition* and its attachments, subject to the reimbursement of reasonable photocopying costs. Any such person may likewise examine the *Petition* and other pertinent records filed with the Commission during the standard office hours.

Pasig City, 10 July 2018.

FOR AND BY AUTHORITY
OF THE COMMISSION:


AGNES VST DEVANADERA
Chairperson and CEO


LSJ/TB/LSP/APV-246

