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

IN THE MATTER OF THE **PETITION FOR** AVAILMENT **OF** THE **ENVIRONMENTAL CHARGE/SHARE FROM** THE UNIVERSAL CHARGE **FOR** THE REHABILITATION **AND MANAGEMENT** OF WATERSHED AREAS (PLAN 16),

ERC Case No. _____2019-021-pc

NATIONAL CORPORATION,

POWER

Petitioner.

ENERGY REGULATORY COMMISSION

DateMAR 7019

Time:
By:

DOCKET / REGORDS 2009

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, Integrated the regulations governing and rules 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 2019 (hereinafter referred to as "Plan 16") 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 16 which forms an integral part hereof);

(

8. Plan 16 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 16 years (2002-2018), 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;

Plan 16 is composed of programs and projects 9. 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 16 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3) Watershed Resource Development; (4) Personnel and related administrative/logistical expenses; (5) Tools, materials and equipment repair, maintenance and/or acquisition; (6) Project audit and/or third-party evaluation; (7) Training/livelihood projects. 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 "M" are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Mak-Ban, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);

10. Plan 16 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, 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 16 still forms part of the original 10-year Integrated Watershed Master Plan (IWMP) which was approved by the National Power Board last 27 September 2018 as per Resolution No. 2018-040. Likewise, Plan 16 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 16 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 (Sapalco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs; Strengthening and sustaining of 9 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 16 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 16. 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 16,
Petitioner would need to avail and utilize the funds from
the UC-EC amounting to a total of TWO HUNDRED
FORTY MILLION FOUR HUNDRED TWENTY

FIVE THOUSAND SEVENTEEN PESOS 78/100 (Php P240,425,017.78), as shown in the Consolidated Financial Summary attached as Annex C. 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 "N" and "O" 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, 08 March 2019.

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. 5567664/ 01.05.18/ Quezon City MCLE Compliance No. V-0004048/ 10.07.2014/ Pasig City

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IBP O.R. No. 1022969; Lifetime; RSM Chapter
Roll of Attorneys No. 61361
PTR No. 7447998; 01/14/2019; Quezon City
MCLE Compliance No. VI-0016765; 12/13/2018

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 _____day of March 2019 in Overon Gity for Pasig City.

ATTY. MELCHOR P. RIDULME

Affiant

SUBSCRIBED AND SWORN to before me this _____ day of March 2019 in Quezon City. Affiant is personally known to me.

Doc. No. 389; Page No. 78; Book No. 7V; Series of 2019 AFTY, RODOLFO M. BF G1 (1900), JR.
Neary Fublic for Quezon City
Commission No. NP-199 (2018-2019)
Commission Expires on December 31, 2019
BPNo. 025364; 01/10/18; RSM
PTR No. 5611536; 01/09/18; Quezon City
Roll No. 44291
MCLE Compliance No. V-4055; 10/07/14; Pasig City
4th Floor NPC Office Building
Quezon Ave. Cor. BIR Road
Diliman, Quezon 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 16)

ERC CASE NO. 2019-021 RC

NATIONAL POWER CORPORATION (NPC),
Petitioner.

Francia (2019)

ORDER

On 14 March 2019, Petitioner National Power Corporation (NPC), filed a *Petition* dated 08 March 2019, seeking the availment of the Environmental Charge (EC)/Share from the Universal Charge (UC) for the proposed operations plan for Calendar Year 2019, referred to as "Plan 16", for the rehabilitation and management of watershed areas.

The pertinent allegations of the said *Petition* are hereunder quoted as follows:

- 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;

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- 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;
- Accordingly, Petitioner became responsible for 4. 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 (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

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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 2019 (hereinafter referred to as "Plan 16") 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 16 which forms an integral part hereof);
- 8. Plan 16 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 16 years (2002-2018), 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 Alongside with the greening its greening projects. programs, WMD intends to raise planting stocks primarily to share and disperse to qualified beneficiaries to plant trees in their respective communities;
- Plan 16 is composed of programs and projects specified in 9. 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 16 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3)Watershed Development: Personnel (4) and administrative/logistical expenses; (5) Tools, materials and equipment repair, maintenance and/or acquisition; (6) Project audit and/or third-party evaluation; Training/livelihood projects. 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 "M"** are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Mak-Ban, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);
- 10. Plan 16 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, 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 16 still forms part of the original 10-year Integrated Watershed Master Plan (IWMP) which was approved by the National Power Board last 27 September 2018 as per Resolution No. 2018-040. Likewise, Plan 16 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 16 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 (Sapalco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs; Strengthening and sustaining of 9 Bantav 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 16 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 16. This also ensures the support of the LGUs and the local communities for the proposed project:
- In order to attain the objectives of Plan 16, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of TWO HUNDRED FORTY MILLION FOUR HUNDRED TWENTY FIVE THOUSAND SEVENTEEN PESOS 78/100 (Php P240,425,017.78), as shown in the Consolidated Financial Summary attached as Annex C. 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.

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(Attached as **Annexes "N" and "O"** 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 and substance, the Commission issued an *Order* and *Notice of Public Hearing*, both dated 22 April 2019, setting the case for the determination of compliance with the jurisdictional requirements, expository presentations, pre-trial conference, and presentation of evidence on the following dates and venues:

Date	Venue	Activity
13 June 2019	ERC Main Office	Jurisdictional and
(Thursday)	15 th Floor, Pacific	Expository
Two 'o clock in the	Center Building,	Presentation
afternoon	San Miguel Avenue,	
(2:00 P.M.)	Pasig City	
20 June 2019	Gladiola Hall	Expository
(Thursday)	Benguet State	Presentation
Ten 'o clock in the	University,	
morning	La Trinidad, Benguet	
(10:00 A.M.)	_	
27 June 2019	Drillon Hall	Expository
(Thursday)	Southeast Asian	Presentation
Ten 'o clock in the	Regional Center for	
morning	Graduate Study and	
(10:00 A.M.)	Research (SEARCA)	
	College, Los Baños,	
	Laguna	
09 July 2019	College of Education	Expository
(Tuesday)	Ampi-theater	Presentation
Nine 'o clock in the	Mindanao State	
morning	University - Iligan	
(9:00 A.M.)	Institute of Technology	
	(MSU-IIT),	
	Tibanga, Iligan City	
18 July 2019	ERC Main Office	Pre-Trial
(Thursday)	15 th Floor, Pacific	Conference and
Ten 'o clock in the	Center Building,	Evidentiary Hearing
morning	San Miguel Avenue,	
(10:00 A.M.)	Pasig City	

On 11 June 2019, NPC filed its *Compliance with Jurisdictional Requirements* and submitted various documents as proof of its compliance with the directives of the Commission as set forth in its *Order* dated 22 April 2019. However, upon examination of The Philippine Star and The Manila Times newspapers submitted by NPC, it was determined that NPC failed to comply with the Commission's publication requirement since the publication dates for the said newspapers were 02 June 2019 and 09 June 2019. The last publication date was only four (4) days before the scheduled initial hearing, which was not in accordance with the required 10-day period. In order to satisfy the publication requirement as contained in the *Order*, NPC, at the latest, should have published the *Notice of Public Hearing* on 27 May 2019 and 03 June 2019, respectively.

Thus, during the initial hearing on 13 June 2019, the Commission declared that it cannot acquire jurisdiction over the instant case. In view thereof, the Commission was constrained to cancel the succeeding hearings.

Consequently, on 17 June 2019, NPC filed a *Motion for Reconsideration*, praying that it be declared to have substantially complied with the publication requirement as well as for the continuance of the originally scheduled hearings.

Relative thereto, through an *Order (resolving the Motion for Reconsideration)* dated 25 June 2019, denied the *Motion* filed by NPC for lack of merit.

ACCORDINGLY, the instant *Petition* is hereby set anew for the determination of compliance with the jurisdictional requirements, expository presentations, pre-trial conference, and presentation of evidence on the following dates and venues:

Date	Venue	Activity
29 August 2019	ERC Main Office	Jurisdictional and
(Thursday)	15 th Floor, Pacific	Expository
Two 'o clock in the	Center Building,	Presentation
afternoon	San Miguel Avenue,	
(2:00 P.M.)	Pasig City	
05 September 2019	Gladiola Hall	Expository
(Thursday)	Benguet State	Presentation
Nine 'o clock in the	University,	
morning	La Trinidad, Benguet	
(9:00 A.M.)		

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Date	Venue	Activity
12 September 2019	Drillon Hall	Expository
(Thursday)	Southeast Asian	Presentation
Ten 'o clock in the	Regional Center for	
morning	Graduate Study and	
(10:00 A.M.)	Research (SEARCA)	
	College, Los Baños,	
	Laguna	
26 September 2019	College of	Expository
(Thursday)	Education	Presentation
Ten 'o clock in the	Ampi-theater	
morning	Mindanao State	
(10:00 A.M.)	University - Iligan	
	Institute of	
	Technology	
	(MSU-IIT),	
	Tibanga, Iligan City	
03 October 2019	ERC Main Office	Pre-Trial
(Thursday)	15 th Floor, Pacific	Conference and
Nine 'o clock in the	Center Building,	Evidentiary
morning	San Miguel Avenue,	Hearing
(9:00 A.M.)	Pasig City	

Accordingly, NPC is hereby directed to:

- Cause the publication of the attached *Notice of Public Hearing* in two (2) newspapers of nationwide circulation in the Philippines at its own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice* of *Public Hearing* the Offices of the Provincial Governors, the City and Municipal Mayors, and the Local Government Unit (LGU) legislative bodies within the affected areas for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform of the filing of the *Petition*, the reasons therefor, and of the scheduled hearings thereon the consumers within the affected 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, NPC must submit to the Commission its written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked the following:

- The evidence of publication of the attached *Notice of Public Hearing* consisting of affidavits of the Editors or Business Managers of the newspapers where the said *Notice of Public Hearing* 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 Provincial Governors, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by NPC to inform the consumers within the affected areas of the filing of the *Petition*, its reasons therefor, and of the scheduled hearings thereon:
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Public Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress:
- 5) The evidence of receipt of copies of the *Petition* and its attachments by all those making requests therefor, if any; and
- 6) Such other proofs of compliance with the requirements of the Commission.

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Petitioner and all interested parties are also required 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 attached to the Pretrial 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 the said date of cancellation.

NPC must also be prepared to make an expository presentation of the instant *Petition*, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Petition* with relevant information and pertinent details substantiating the reasons and justifications being cited in support thereof.

SO ORDERED.

Pasig City, 03 July 2019.

FOR AND BY AUTHORITY OF THE COMMISSION:

JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Oversight Commissioner for Legal Service

LS: RSPV/ARC/CIO ROS: AMDB/AJMP/FGBD

ERĆ CASE NO. 2019-021 RC ORDER/03 JULY 2019 PAGE 10 OF 20

COPY FURNISHED:

- Attys. Melchor P. Ridulme, Delfin L. Buenafe II, Diwa Rafael B. Bontuyan and Maria Christina L.Laig Counsels for Petitioner NPC Office of the General Counsel National Power Corporation Complex Quezon Avenue corner BIR Road, Diliman, Quezon City
- National Power Corporation (NPC)
 Petitioner
 NPC Office Building Complex
 Quezon Avenue corner BIR Road, Diliman, Quezon City
- 3. Office of the Solicitor General (OSG) 134 Amorsolo Street, Legaspi Village, Makati City
- 4. Commission on Audit (COA)
 Commonwealth Avenue, Quezon City 1121
- 5. Senate Committee on Energy GSIS Building, Roxas Boulevard, Pasay City 1307
- 6. House Committee on Energy Batasan Hills, Quezon City 1126
- Mr. Edgardo R. Masongsong
 Administrator
 National Electrification Administration (NEA)
 57 NEA Building, NIA Road, Government Center Diliman, Quezon City
- 3. The General Manager
 Philippine Rural Electric Cooperatives Association (PHILRECA)
 4th Floor, Casman Building, 372 Quezon Avenue, Quezon City
 Atty, Ranulfo M. Ocampo
- 9. Atty. Ranulfo M. Ocampo
 Private Electric Power Operators Association (PEPOA)
 7th Floor, Strata 100 Building, F. Ortigas Jr. Road
 Ortigas Center, Pasig City
- The President
 Power Sector Assets & Liabilities Management Corporation (PSALM)
 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives
 North Avenue, Quezon City 1105
- Department of Environment and Natural Resources (DENR) Visayas Avenue, Diliman, Quezon City
- 12. All Distribution Utilities
- 13. Office of the Mayor Quezon City
- 14. Office of the Local Government (LGU) legislative body Quezon City
- 15. Office of the Governor Bulacan
- 16. Office of the Local Government (LGU) legislative body Bulacan
- 17. Office of the Mayor San Jose Del Monte, Bulacan
- 18. Office of the Local Government (LGU) legislative body San Jose Del Monte, Bulacan
- Office of the Mayor Norzagaray, Bulacan

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- 20. Office of the Local Government (LGU) legislative body Norzagaray, Bulacan
- 21. Office of the Mayor Doña Remedios Trinidad, Bulacan
- 22. Office of the Local Government (LGU) legislative body Doña Remedios Trinidad, Bulacan
- 23. Office of the Governor Pangasinan
- 24. Office of the Local Government (LGU) legislative body Pangasinan
- 25. Office of the Mayor San Nicolas, Pangasinan
- 26. Office of the Local Government (LGU) legislative body San Nicolas, Pangasinan
- 27. Office of the Mayor San Manuel, Pangasinan
- 28. Office of the Local Government (LGU) legislative body San Manuel, Pangasinan
- 29. Office of the Governor Nueva Ecija
- 30. Office of the Local Government (LGU) legislative body Nueva Ecija
- 31. Office of the Mayor Pantabangan, Nueva Ecija
- 32. Office of the Local Government (LGU) legislative body Pantabangan, Nueva Ecija
- 33. Office of the Mayor Carranglan, Nueva Ecija
- 34. Office of the Local Government (LGU) legislative body Carranglan, Nueva Ecija
- 35. Office of the Governor Benguet
- 36. Office of the Local Government (LGU) legislative body Benguet
- 37. Office of the Mayor Atok, Benguet
- 38. Office of the Local Government (LGU) legislative body Atok, Benguet
- 39. Office of the Mayor Bakun, Benguet
- Office of the Local Government (LGU) legislative body Bakun, Benguet
- Office of the Mayor Bokod, Benguet
- 42. Office of the Local Government (LGU) legislative body Bokod, Benguet

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- 43. Office of the Mayor Buguias, Benguet
- Office of the Local Government (LGU) legislative body Buguias, Benguet
- 45. Office of the Mayor Itogon, Benguet
- Office of the Local Government (LGU) legislative body Itogon, Benguet
- 47. Office of the Mayor Kabayan, Benguet
- 48. Office of the Local Government (LGU) legislative body Kabayan, Benguet
- 49. Office of the Mayor Kibungan, Benguet
- 50. Office of the Local Government (LGU) legislative body Kibungan, Benguet
- 51. Office of the Mayor La Trinidad, Benguet
- 52. Office of the Local Government (LGU) legislative body La Trinidad, Benguet
- 53. Office of the Mayor Tublay, Benguet
- Office of the Local Government (LGU) legislative body Tublay, Benguet
- 55. Office of the Mayor Hungduan, Ifugao
- Office of the Local Government (LGU) legislative body Hungduan, Ifugao
- 57. Office of the Mayor Tinoc, Ifugao
- 58. Office of the Local Government (LGU) legislative body Tinoc, Ifugao
- 59. Office of the Mayor Bauko, Mt. Province
- 60. Office of the Local Government (LGU) legislative body Bauko, Mt. Province
- 61. Office of the Governor Camarines Sur
- 62. Office of the Local Government (LGU) legislative body Camarines Sur
- 63. Office of the Mayor Buhi, Camarines Sur
- Office of the Local Government (LGU) legislative body Buhi, Camarines Sur
- 65. Office of the Governor Laguna

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- Office of the Local Government (LGU) legislative body Laguna
- 67. Office of the Mayor Cavinti, Laguna
- 68. Office of the Local Government (LGU) legislative body Cavinti, Laguna
- 69. Office of the Mayor Lumban, Laguna
- Office of the Local Government (LGU) legislative body Lumban, Laguna
- 71. Office of the Mayor Kalayaan, Laguna
- Office of the Local Government (LGU) legislative body Kalayaan, Laguna
- 73. Office of the Mayor Alaminos, Laguna
- Office of the Local Government (LGU) legislative body Alaminos, Laguna
- 75. Office of the Mayor Bay, Laguna
- Office of the Local Government (LGU) legislative body Bay, Laguna
- 77. Office of the Mayor Calauan, Laguna
- Office of the Local Government (LGU) legislative body Calauan, Laguna
- 79. Office of the Mayor Liliw, Laguna
- 80. Office of the Local Government (LGU) legislative body Liliw, Laguna
- 81. Office of the Mayor Los Banos, Laguna
- 82. Office of the Local Government (LGU) legislative body Los Banos, Laguna
- 83. Office of the Mayor Luisiana, Laguna
- 84. Office of the Local Government (LGU) legislative body Luisiana, Laguna
- 85. Office of the Mayor Magdalena, Laguna
- 86. Office of the Local Government (LGU) legislative body Magdalena, Laguna
- 87. Office of the Mayor Majayjay, Laguna
- 88. Office of the Local Government (LGU) legislative body Majayjay, Laguna

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- 89. Office of the Mayor Nagcarlan, Laguna
- Office of the Local Government (LGU) legislative body Nagcarlan, Laguna
- 91. Office of the Mayor Pagsanjan, Laguna
- Office of the Local Government (LGU) legislative body Pagsanjan, Laguna
- 93. Office of the Mayor Pila, Laguna
- 94. Office of the Local Government (LGU) legislative body Pila, Laguna
- 95. Office of the Mayor Rizal, Laguna
- Office of the Local Government (LGU) legislative body Rizal, Laguna
- 97. Office of the Mayor Sta. Cruz, Laguna
- 98. Office of the Local Government (LGU) legislative body Sta. Cruz, Laguna
- 99. Office of the Mayor Victoria, Laguna
- 100. Office of the Local Government (LGU) legislative body Victoria, Laguna
- 101. Office of the Mayor San Pablo City, Laguna
- 102. Office of the Local Government (LGU) legislative body San Pablo City, Laguna
- 103. Office of the Mayor Calamba City, Laguna
- Office of the Local Government (LGU) legislative body Calamba City, Laguna
- 105. Office of the Governor Batangas
- Office of the Local Government (LGU) legislative body Batangas
- 107. Office of the Mayor Balete, Batangas
- Office of the Local Government (LGU) legislative body Balete, Batangas
- 109. Office of the Mayor Cuenca, Batangas
- Office of the Local Government (LGU) legislative body Cuenca, Batangas
- Office of the Mayor Malvar, Batangas

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- 112. Office of the Local Government (LGU) legislative body Malvar, Batangas
- 113. Office of the Mayor Mataas na Kahoy, Batangas
- 114. Office of the Local Government (LGU) legislative body Mataas na Kahoy, Batangas
- 115. Office of the Mayor San Jose, Batangas
- 116. Office of the Local Government (LGU) legislative body San Jose, Batangas
- 117. Office of the Mayor Sto. Tomas, Batangas
- Office of the Local Government (LGU) legislative body Sto. Tomas, Batangas
- 119. Office of the Mayor Lipa City, Batangas
- Office of the Local Government (LGU) legislative body Lipa City, Batangas
- 121. Office of the Mayor Tanauan City, Batangas
- 122. Office of the Local Government (LGU) legislative body Tanauan City, Batangas
- 123. Office of the Governor Quezon
- 124. Office of the Local Government (LGU) legislative body Ouezon
- 125. Office of the Mayor Candelaria, Quezon
- 126. Office of the Local Government (LGU) legislative body Candelaria, Quezon
- 127. Office of the Mayor Dolores, Quezon
- 128. Office of the Local Government (LGU) legislative body Dolores, Quezon
- 129. Office of the Mayor San Antonio, Quezon
- Office of the Local Government (LGU) legislative body San Antonio, Quezon
- 131. Office of the Mayor Sariaya, Quezon
- Office of the Local Government (LGU) legislative body Sariaya, Quezon
- 133. Office of the Mayor Tiaong, Quezon
- 134. Office of the Local Government (LGU) legislative body Tiaong, Quezon

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Office of the Governor 135. Albay Office of the Local Government (LGU) legislative body 136. 137. Office of the Mayor Tiwi, Albay Office of the Local Government (LGU) legislative body Tiwi, Albay Office of the Mayor 139. Malinao, Albay 140. Office of the Local Government (LGU) legislative body Malinao, Albay Office of the Governor Lanao del Sur 142. Office of the Local Government (LGU) legislative body Lanao del Sur Office of the Mayor 143. Marawi City, Lanao del Sur Office of the Local Government (LGU) legislative body Marawi City, Lanao del Sur Office of the Mayor 145. Ditsaan-Ramain, Lanao del Sur Office of the Local Government (LGU) legislative body Ditsaan-Ramain, Lanao del Sur Office of the Mayor 147. Bubong, Lanao del Sur Office of the Local Government (LGU) legislative body Bubong, Lanao del Sur Office of the Mayor Buadiposo Buntong, Lanao del Sur Office of the Local Government (LGU) legislative body 150. Buadiposo Buntong, Lanao del Sur Office of the Mayor 151. Maguing, Lanao del Sur Office of the Local Government (LGU) legislative body Maguing, Lanao del Sur Office of the Mayor 153. Mulondo, Lanao del Sur Office of the Local Government (LGU) legislative body Mulondo, Lanao del Sur

Office of the Mayor

Taraka, Lanao del Sur

Taraka, Lanao del Sur

Office of the Mayor Tamparan, Lanao del Sur

Office of the Local Government (LGU) legislative body

155.

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- 158. Office of the Local Government (LGU) legislative body Tamparan, Lanao del Sur
- 159. Office of the Mayor Bayabao, Lanao del Sur
- 160. Office of the Local Government (LGU) legislative body Bayabao, Lanao del Sur
- 161. Office of the Mayor Poonabayabao, Lanao del Sur
- Office of the Local Government (LGU) legislative body Poonabayabao, Lanao del Sur
- 163. Office of the Mayor Lumbayanague, Lanao del Sur
- 164. Office of the Local Government (LGU) legislative body Lumbayanague, Lanao del Sur
- 165. Office of the Mayor Lumbatan, Lanao del Sur
- Office of the Local Government (LGU) legislative body Lumbatan, Lanao del Sur
- 167. Office of the Mayor Saguiran, Lanao del Sur
- Office of the Local Government (LGU) legislative body Saguiran, Lanao del Sur
- 169. Office of the Mayor Piagapo, Lanao del Sur
- 170. Office of the Local Government (LGU) legislative body Piagapo, Lanao del Sur
- 171. Office of the Mayor Marantao, Lanao del Sur
- 172. Office of the Local Government (LGU) legislative body Marantao, Lanao del Sur
- 173. Office of the Mayor Balindong, Lanao del Sur
- 174. Office of the Local Government (LGU) legislative body Balindong, Lanao del Sur
- 175. Office of the Mayor Tugaya, Lanao del Sur
- 176. Office of the Local Government (LGU) legislative body Tugaya, Lanao del Sur
- 177. Office of the Mayor Bacolod Kalawi, Lanao del Sur
- 178. Office of the Local Government (LGU) legislative body Bacolod Kalawi, Lanao del Sur
- 179. Office of the Mayor Madalum, Lanao del Sur
- Office of the Local Government (LGU) legislative body Madalum, Lanao del Sur

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- 181. Office of the Mayor Madamba, Lanao del Sur
- Office of the Local Government (LGU) legislative body Madamba, Lanao del Sur
- 183. Office of the Mayor Ganassi, Lanao del Sur
- Office of the Local Government (LGU) legislative body Ganassi, Lanao del Sur
- 185. Office of the Mayor Pagayawan, Lanao del Sur
- Office of the Local Government (LGU) legislative body Pagayawan, Lanao del Sur
- 187. Office of the Mayor Pualas, Lanao del Sur
- 188. Office of the Local Government (LGU) legislative body Pualas, Lanao del Sur
- 189. Office of the Mayor Binidayan, Lanao del Sur
- Office of the Local Government (LGU) legislative body Binidayan, Lanao del Sur
- 191. Office of the Mayor Bayang, Lanao del Sur
- 192. Office of the Local Government (LGU) legislative body Bayang, Lanao del Sur
- 193. Office of the Mayor Butig, Lanao del Sur
- Office of the Local Government (LGU) legislative body Butig, Lanao del Sur
- 195. Office of the Governor Lanao del Norte
- 196. Office of the Local Government (LGU) legislative body Lanao del Norte
- 197. Office of the Mayor Pantar, Lanao del Norte
- Office of the Local Government (LGU) legislative body Pantar, Lanao del Norte
- 199. Office of the Mayor Balo-i, Lanao del Norte
- 200. Office of the Local Government (LGU) legislative body Balo-i, Lanao del Norte
- 201. Office of the Mayor Pantao Ragat, Lanao del Norte
- Office of the Local Government (LGU) legislative body Pantao Ragat, Lanao del Norte
- 203. Office of the Mayor Matungao, Lanao del Norte

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- 204. Office of the Local Government (LGU) legislative body Matungao, Lanao del Norte
- 205. Office of the Mayor Iligan City, Lanao Del Norte
- 206. Office of the Local Government (LGU) legislative body Iligan City, Lanao Del Norte
- 207. Office of the Governor Bukidnon
- 208. Office of the Local Government (LGU) legislative body Bukidnon
- 216. Office of the Mayor Malaybalay, Bukidnon
- Office of the Local Government (LGU) legislative body Malaybalay, Bukidnon
- 218. Office of the Mayor Maramag, Bukidnon
- Office of the Local Government (LGU) legislative body Maramag, Bukidnon
- 220. Office of the Mayor San Fernando, Bukidnon
- Office of the Local Government (LGU) legislative body San Fernando, Bukidnon
- 222. Office of the Mayor Lantapan, Bukidnon
- 223. Office of the Local Government (LGU) legislative body Lantapan, Bukidnon
- 224. Office of the Mayor Valencia City, Bukidnon
- 225. Office of the Local Government (LGU) legislative body Valencia City, Bukidnon
- 226. Office of the Mayor Cabanglasan, Lanao del Norte
- 227. Office of the Local Government (LGU) legislative body Cabanglasan, Lanao del Norte
- 228. Office of the Governor Rizal
- 229. Office of the Local Government (LGU) legislative body Rizal
- 230. Atty. Leonor T. Oralde-Quintayo
 Chairperson
 National Commission on Indigenous Peoples (NCIP)
 N. dela Merced Building, corner West and Quezon Avenues, Quezon City
- 231. Foundation for Philippine Environment (FPE) Atty. Maria Vicenta P. de Guzman 77 Matahimik Street, Teachers' Village Diliman, Quezon City

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- 232. Bukidnon Higaonon Tribal Association (BUHITA)
 Dampog Residence Sta. Cruz St. Sumpong
 Malaybalay City, Bukidnon
- 233. Tanggapang Panligal ng Katutubong Pilipino (PANLIPI) No. 30 JGS Building, Scout Tuason cor. Dr. Lazcano Sts. Quezon City
- 233. Regulatory Operations Service (ROS)
 Energy Regulatory Commission
 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 **MANAGEMENT** WATERSHED **AREAS** (PLAN 16)

ERC CASE NO. 2019-021 RC

NATIONAL POWER CORPORATION (NPC), Petitioner.

JUL 0.5 2019

NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 14 March 2019, Petitioner National Power Corporation (NPC), filed a *Petition* dated 08 March 2019, seeking the availment of the Environmental Charge (EC)/Share from the Universal Charge (UC) for the proposed operations plan for Calendar Year 2019, referred to as "Plan 16", for the rehabilitation and management of watershed areas.

The pertinent allegations of the said *Petition* are hereunder quoted as follows:

- 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

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

- To further strengthen its jurisdiction and control over 3. 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; Watershed Reservation as Angat 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;
- Accordingly, Petitioner became responsible for the 4. 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 Coordination with relocation;(8) other government agencies/instrumentalities, religious and civil groups in undertaking forest conservation measures in watershed Afforestation, reforestation and physical (9) 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

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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 2019 (hereinafter referred to as "Plan 16") 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 16 which forms an integral part hereof);
- Plan 16 is crafted in order to intensify and strengthen 8. Petitioner's undertakings to address the issue on the uncontrolled deforestation especially in watershed areas. For the past 16 years (2002-2018), 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;
- Plan 16 is composed of programs and projects specified in 9. 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 16 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation; (3)Watershed Resource Development; Personnel (4) and administrative/logistical expenses; (5) Tools, materials and equipment repair, maintenance and/or acquisition; (6) Project audit and/or third-party evaluation; Training/livelihood projects. 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 "M" are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Mak-Ban, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);
- 10. Plan 16 covers the six (6) watersheds over which Petitioner has complete jurisdiction and control by virtue of EO 224,

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San Roque Watershed (Lower Agno) which is being managed by Petitioner for San Roque Multi-Purpose Project by virtue of PD 2320, 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 16 still forms part of the original 10-year Integrated Watershed Master Plan (IWMP) which was approved by the National Power Board last 27 September 2018 as per Resolution No. 2018-040. Likewise, Plan 16 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 16 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 (Sapalco, S.R., 1981); increase biodiversity in terms of species richness and flora and fauna population thru conservation and ecotourism programs; Strengthening and sustaining of 9 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 16 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 16. 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 16, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of TWO HUNDRED FORTY MILLION FOUR HUNDRED TWENTY FIVE THOUSAND SEVENTEEN PESOS 78/100 (Php P240,425,017.78), as shown in the Consolidated Financial Summary attached as Annex C. 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

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Quezon City where Petitioner principally operates, and publish the same in a newspaper of general circulation. (Attached as **Annexes "N" and "O"** 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 instant *Petition* to be sufficient in form and substance with the required fees having been paid, the Commission hereby sets the determination of compliance with the jurisdictional requirements, expository presentations, pre-trial conference, and presentation of evidence on the following dates and venues:

Date	Venue	Activity
29 August 2019	ERC Main Office	Jurisdictional and
(Thursday)	15th Floor, Pacific	Expository
Two 'o clock in the	Center Building,	Presentation
afternoon	San Miguel Avenue,	
(2:00 P.M.)	Pasig City	
05 September 2019	Gladiola Hall	Expository
(Thursday)	Benguet State	Presentation
Nine 'o clock in the	University,	
morning	La Trinidad, Benguet	
(9:00 A.M.)		
12 September 2019	Drillon Hall	Expository
(Thursday)	Southeast Asian	Presentation
Ten 'o clock in the	Regional Center for	
morning	Graduate Study and	
(10:00 A.M.)	Research (SEARCA)	
	College, Los Baños,	∴* •
	Laguna	
26 September 2019	College of	Expository
(Thursday)	Education	Presentation
Ten 'o clock in the	Ampi-theater	
morning	Mindanao State	
(10:00 A.M.)	University - Iligan	
	Institute of	
	Technology	
	(MSU-IIT),	
	Tibanga, Iligan City	
03 October 2019	ERC Main Office	Pre-Trial
(Thursday)	15 th Floor, Pacific	Conference and
Nine 'o clock in the	Center Building,	Evidentiary
morning	San Miguel Avenue,	Hearing
(9:00 A.M.)	Pasig City	

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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 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 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.

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All such persons who wish to have a copy of the *Petition* may request from Petitioner that they be furnished with the same, prior to the date of the initial hearing. Petitioner 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.

WITNESS, the Honorable Chairperson and CEO AGNES VST DEVANADERA and the Honorable Commissioners ALEXIS M. LUMBATAN and PAUL CHRISTIAN M. CERVANTES, Energy Regulatory Commission, this 3rd day of July 2019 in Pasig City.

JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Oversight Commissioner for Legal Service

LS: RSPV/ARG/CNO ROS: AMDB/AJMO/FGBD