# Republic of the Philippines ENERGY REGULATORY COMMISSION

San Miguel Avenue, Pasig City

IN THE MATTER OF THE THE FOR PETITION AVAILMENT OF THE **ENVIRONMENTAL** FROM CHARGE/SHARE THE UNIVERSAL CHARGE THE FOR AND REHABILITATION OF MANAGEMENT **AREAS** WATERSHED (PLAN 20),

NATIONAL POWER CORPORATION,

Petitioner.

ERC Case No.

RECEIVED BY.

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#### **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;

- To further strengthen its jurisdiction and 3. 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 Proclamation No. 548; (2) San Roque Watershed (3) Angat Watershed Reservation as covered by Proclamation Nos. 505 and 599; (4) Calirava-Lumot Watershed Reservation as covered by Proclamation No. 573; (5) Makiling-Banahaw Geothermal Reservations as covered Proclamation No. 1111; (6) Buhi-Barit Watershed as covered by Proclamation No. 573; (7) Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739:
- Accordingly, Petitioner became responsible for the management, protection, development, rehabilitation of the aforementioned watershed areas, including but not limited to the following: (1) Enforcement of forestry laws, rules 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 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 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 onefourth of one centavo per kilowatt-hour sales (P 0.0025/kWh), which forms part of the Universal Charge (UC). This environmental fund is intended for watershed rehabilitation 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 2024 (hereinafter referred to as "Plan 20") 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 20 which forms an integral part hereof);
- Plan 20 is crafted in order to intensify and 8. strengthen Petitioner's undertakings to address the issue on the uncontrolled deforestation especially in watershed areas. For the past 22 years (2002-2024), 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 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) 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 20 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 20 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 "P" 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 20 covers the nine (9) 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 20 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 20 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 20 particularly seeks to attain the rehabilitation through vegetative measures of 700 hectares: reduction 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 11 Bantay Watershed Task Force Group created purposely for the protection and conservation of the watershed areas;

- 13. Plan 20 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 20. 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 20, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of THREE HUNDRED SEVENTY-TWO MILLION NINE HUNDRED SIXTY EIGHT THOUSAND ONE HUNDRED THIRTY NINE AND NINETY SEVEN CENTAVOS (Php P372,968,139.97), 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 "Q" and "R" 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, 23 January 2024.

FOR THE SOLICITOR GENERAL

MELCHÓR P. RIDULME

Vice President

Office of the Legal Counsel IBP Lifetime No.01748; Ilocos Sur

PTR No. 5661360 D; 01/12/2024; Quezon City

Roll No. 37784

MCLE Compliance No.VII-0009833; 02/14/2022; Pasig City \*

DELFIN L. BUENAFE II

Department Manager - Legal Service Department

Special Attorney-OSG

Roll of Attorney's No. 48636

PTR No. 5661361 D; 01/12/2024; Quezon City IBP Lifetime OR No. 012829; Quezon City Chapter MCLE Compliance No.VII-0009835;02/14/2022; Pasig City

DIWA RAFAEL B. BONTUYAN

Corporate Attorney A
Special Attorney-OSG
Roll of Attorneys No. 64390
PTR No. 5661366 D; 01/12/2024; Quezon City
IBP Membership No. 1006807; Quezon City
MCLE Compliance No. VII-0009839; 14/02/22

# OFFICE OF THE LEGAL COUNSEL

Counsel for National Power Corporation
BIR Road cor. Quezon Avenue, Diliman, QC
National Power Corporation
BIR Road corner Quezon Avenue
Diliman, Quezon City

OFFICE OF THE GENERAL COUNSEL NATIONAL POWER CORPORATION COMPLEX

Quezon Avenue corner BIR Road Diliman, Quezon City Tel No. (02) 926-1837

#### **VERIFICATION AND CERTIFICATION**

- I, **ATTY. MELCHOR P. RIDULME,** of legal age, under oath, state that:
- I am the Vice-President for Legal, at the same time, General Counsel of National Power Corporation, of the Petitioner;
- 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 23 day of January 2024 in Quezon City for Pasig City.

ATTY. MELCHOR P. RIDULME

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_\_ day of January 2024 in Quezon City. Affiant is personally known to me.

Doc.
No.
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Book
No.
Series of 2024

ATTY, 1-16 ENIA A TORUS

Notary Public for Quezon City; Corp Entries on 12/31/2024

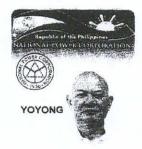
A.M. No. NP 13-1, 2/14/2023, Quezon City

No. 3 Mehiphin St., J. R. Village, Dillman, Quezon City

Roil No. 37534; MC E No. VIII-5004505, 10/25/2023

IBP No. 337951, 1/2/2/24, QC; PTR No. 5955090, 1/2/24, QC

galrulaslaw@yahookom; 09176257044, (02) 8-925-7471



MELCHOR P. RIDULME OFFICE OF THE LEGAL COUNSEL

BLOOD TYPE: O

IN CASE OF EMERGENCY
PLEASE CALL NATIONAL POWER
(+632) 324-5246
(+632) 324-5246
(+632) 324-5246
IF FOUND, PLEASE RETURN TO NEAREST
NATIONAL POWER INSTIBLISION OF
NATIONAL POWER INSTIBLISION OF
NATIONAL POWER CORPORATION
BIT ROAD corner Quezon Avenue
Dilman, Guezon Civi 1100
UNIVERSITY OF THE

FERNANDO MARTIN Y. ROXAS PRESIDENT AND CEO



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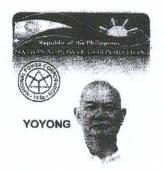
APPROVED AND CONFIRMED, THRU REFERENDUM, NOVEMBER 16, 2001.

CERTIFIED TRUE AND CORRECT:

ALBERTO L. PANGCOG Corporate Secretary

ATTY, PATRICK MABBACU
Corporate Secretary

National Power Corporat



MELCHOR P. PIDULME OFFICE OF THE LEGAL COUNSEL

I D NO. : APW1300003 Date issued : FEBRUARY 28, 2023

Employee No. 53-20139-6 Position VICE PRESIDENT TIN 163-968-272 GSIS &P No. : 2000858732 BLOOD TYPE : O

BLOOD TYPE: O

IN CASE OF EMERGENCY
PLEASE CALL NATIONAL POWER
(953) 924-5300
IF FOUND, PLEASE RETURN TO NEAREST
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HATIONAL POWER Initialision of
HATIONAL POWER CORPORATION
BIR Road come: Oueson Avenue
Disman, Guezon Cim 1100
www.nepocof.gov.ph

PERHANDO MARPIN Y. ROXAS PRESIDENT AND CHO



# **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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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

CERTIFIED TRUE CON

ATTY. PATRICK MABBACU
Corporate Secretary
National Power Corporation

#### (Verified Declaration)

I, GLORIA O. FARONILO, Senior Watershed Management Specialist, hereby declare that all documents hereto submitted electronically in accordance with Resolution No. 07, Series of 2020, are complete and true copies of the original documents filed with the Commission.

IN WITNESS WHEREOF, I hereby affix my signature this 31st day of January 2024 at Quezon City.

GLORIA O. FARONILO
Senior Watershed Management Specialist

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_\_\_ feb 0 2 2024, at Quezon City, with NPC ID APW1300562, issued on February 21, 2023 at Diliman, Quezon City.

Person Administering Oath

Page No. \_\_\_\_\_ Book No. \_\_\_\_\_ Series of 2024 Socorro Maricel N. Nepomuceno
Notary Publicator Quezon City
A.M. No. 049 (2023-2024) until December 31, 2024
Roll No. 50756
IBP No. 421627; 01.112-24 Quezon City
PTR No. 5672412, 01.03.2024 Chezon City
MCLE VII- 0025787; 11.22.2023
35 Matalino Street, Batengay Cantral
Quezon City, Metro Marilio 1100
Contact Number 09472765393/ 09951319341



: APW1300582 ID NO.

Date Issued : FEBRUARY 21, 2023

Employee No. : 84-00013-2

Position SR WYRSO MGY SPELST

TIN : 106-445-605

GS|S BP No. : 2000894469

BLOOD TYPE: O

IN CASE OF EMERGENCY PLEASE CALL NATIONAL POWER (+632) 924-6240 (+632) 924-6300

IF FOUND. PLEASE RETURN TO NEAREST NATIONAL POWER Installation of NATIONAL POWER CORPORATION BIR Road comer Quazon Avenue O'llinger, Quazon City 100 Www.napocor.gov.ph

FERNANDO MARPIN Y. ROXAS

PRES.DENT AND CEO

# Republic of the Philippines ENERGY REGULATORY COMMISSION 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 20)

ERC CASE NO. 2024-018 RC

NATIONAL POWER

CORPORATION,

Petitioner.

Petitioner.

February 21, 2024

#### **ORDER**

On 14 February 2024, National Power Corporation (NPC) filed a *Petition* dated 23 January 2024, seeking the Commission's approval for the availment of the Environmental Charge/Share from the Universal Charge (UC-EC) for the rehabilitation and management of watershed areas (Plan 20).

The pertinent allegations of the *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), 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) San Roque Watershed[;] (3) Angat Watershed Reservation as covered by Proclamation Nos. 505 and 599; (4) Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573; (5) Makiling-Banahaw Geothermal Reservations as covered by Proclamation No. 1111; (6) Buhi-Barit Watershed as covered by Proclamation No. 573; [and] (7) Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739;

- Petitioner became responsible for the Accordingly, 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 **Formulation** Watershed resources: (4) implementation of measures to prevent denudation of forest cover and siltation of existing reservoirs; (5) Public education and information drive to create awareness among the populace about 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 (8) Coordination with other government relocation; 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 being 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 of every year. Hence, this petition;

- 7. In support of the instant Petition, Petitioner hereby submits the proposed operations plan for Calendar Year 2024 (hereinafter referred to as "Plan 20") 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 20 which forms an integral part hereof);
- Plan 20 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 22 years (2002-2024), Petitioner has embarked on non-stop greening initiatives in 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 (WATs) 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 20 is composed of programs and projects specified in 9. Section 1, Article II of the Rules and Procedures Governing the Utilization and Disbursement of UC-EC (Rules), with the proposed modes of procurement in implementing the same. In particular, Plan 20 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Rehabilitation; Watershed (3)Watershed Development; (4) Infrastructure; (5) Administrative and Project Operations and/or Supervision; (6) Equipment Acquisition; (7) Sustainability and Third-Party Evaluation; (8) Biodiversity and Ecotourism; [and] (9) Research These Development. programs and projects recommended by the concerned WAT. And the same were reviewed and evaluated by the Head Office-WMD. (Attached as Annexes "D" to "P" are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Magat, Mak-Ban, Pantabangan, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof);
- 10. Plan 20 covers the nine (9) watersheds over which Petitioner has complete jurisdiction and control by virtue of EO 224; San Roque Watershed (Lower Agno) which is 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 20 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 20 is crafted with reference to the previous proposed plans submitted for the approval of the Honorable Commission;
- Aside from maintaining the objectives of the previous 12. proposed plans submitted to the Honorable Commission, Plan 20 particularly seeks to attain the rehabilitation through vegetative measures of 700 hectares; reduction of and soil erosion inside Petitioner's sedimentation reforestation areas of at least 2,880 tons/year (Sapalco, S.R., 1981); increase in 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;
- 13. Plan 20 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 stakeholders were brought to the attention of concerned WAT and this serves as the latter's guide in the packaging of Plan 20. 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 20, Petitioner would need to avail and utilize the funds from the UC-EC amounting to a total of THREE HUNDRED SEVENTY-TWO MILLION NINE HUNDRED SIXTY EIGHT THOUSAND ONE HUNDRED THIRTY NINE AND NINETY SEVEN CENTAVOS (PhP P372,968,139.97), 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. (sic) In compliance with Section 2 (b), Article II of the Rules, Petitioner furnished a copy of the instant petition to the Sangguniang Panlungsod and [the] Office [of] the City Mayor of Quezon City where Petitioner principally operates, and publish[ed] the same in a newspaper of general circulation. (Attached as Annexes "Q" and "R" are proofs of service and publication of the Petition.)

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

Petitioner prays for other just and equitable relief.

Finding the said *Petition* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 5 OF 19

for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and venues, or online platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020¹ and Resolution No. 01, Series of 2021² (ERC Revised Rules of Practice and Procedure):

Date and Time	Venue/Platform	Activity
14 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission Hearing Room, 11 <sup>th</sup> Floor, Exquadra Tower, 1 Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City	Determination of compliance with jurisdictional requirements and Expository Presentation for Luzon Stakeholders
21 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission, Visayas Area Operations Division (VAOD), 7th Floor, Kepwealth Building, Samar Loop, Cebu Business Park	Expository Presentation for Visayas Stakeholders
28 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission, Mindanao Area Operations Division (MAOD), 6 <sup>th</sup> Floor, BIZ Bldg., c/o BORMAHECO, Inc., 209 J.P. Laurel Avenue, Bajada, Davao City	Expository Presentation for Mindanao Stakeholders
O4 June 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Microsoft Teams Application	Pre-trial Conference and Presentation of Evidence
11 June 2024		Presentation of Evidence

<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>2</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 6 OF 19

Date and Time	Venue/Platform	Activity
(Tuesday) at nine		
o'clock in the		
morning (9:00 A.M)		
18 June 2024		
(Tuesday) at nine		Presentation of
o'clock in the		Evidence
morning (9:00 A.M)		

Petitioner NPC is hereby directed to attend the said hearings at the designated venues.

#### **RELATIVE THERETO**, NPC is hereby directed to:

- 1) Cause the publication of the attached *Notice of Public/Virtual 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/Virtual 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 the consumers within the affected areas, by any other means available and appropriate, of the filing of the *Petition*, its reasons therefor, and of the scheduled virtual hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice* of *Public/Virtual Hearing* the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and
- 5) Furnish with copies of the *Petition* and its attachments, except those subject of a motion for confidential treatment

of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within five (5) calendar days prior to the date of the initial hearing, NPC must submit to the Commission via electronic mail (e-mail) at <a href="mailto:docket@erc.ph">docket@erc.ph</a>, and copy furnish the Legal Service through <a href="mailto:legal@erc.ph">legal@erc.ph</a>, the scanned copies of its written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- The evidence of publication of the attached *Notice of Public/Virtual Hearing* consisting of affidavits of the Editor or Business Manager of the newspapers where the said *Notice of Public/Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Public/Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governors, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by NPC to inform the consumers affected of the filing of the *Petition*, its reasons therefor, and of the scheduled hearings thereon;
- The evidence of receipt of copies of this *Order* and the attached *Notice of Public/Virtual 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, except those subject of a motion for confidential treatment of information, if any, by all those making requests therefor; and
- 6) Such other proofs of compliance with the requirements of the Commission.

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

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 8 OF 19

Petitioner NPC and all interested parties are also required to submit to the Commission via e-mail at <a href="docket@erc.ph">docket@erc.ph</a>, and copy furnish the Legal Service through <a href="legal@erc.ph">legal@erc.ph</a>, at least five (5) calendar days before the date of the scheduled 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 therefor, which should also be attached to the Pre-trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pretrial Brief.

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

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

Petitioner 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*. Relevant information and pertinent details substantiating the reasons and justifications for the *Petition* must be cited in support thereof.

Petitioner NPC is hereby directed to file a copy of its Expository Presentation via e-mail at <u>docket@erc.ph</u>, and copy furnish the Legal Service through <u>legal@erc.ph</u>, at least five (5) calendar days prior to the scheduled virtual hearing. NPC shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 9 OF 19

presentation, at least five (5) calendar days prior to the scheduled hearing.

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

Finally, NPC, including its authorized representatives and witnesses, are hereby directed to provide the Commission, thru <a href="legal.virtualhearings@erc.ph">legal.virtualhearings@erc.ph</a>, their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

#### SO ORDERED.

Pasig City, 21 February 2024.

FOR AND BY AUTHORITY OF THE COMMISSION:

Medimalanta MONALISA C. DIMALANTA Chairperson and CEO

LS: VMA/MVM/LSP

Office of the Chairperson and CEO

MCD2024-014782

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 10 OF 19

#### Copy Furnished:

National Power Corporation (NPC)
Petitioner
NPC Office Building Complex
BIR Road corner Quezon Avenue,
Diliman, Quezon City
corpcomm@napocor.gov.ph

2. Attys. Melchor P. Ridulme, Delfin L. Buenafe II, Diwa Rafael B. Bontuyan
Counsels for Petitioner NPC
Office of the Legal Counsel
National Power Corporation
BIR Road corner Quezon Avenue,
Diliman, Quezon City
mpridulme@napocor.gov.ph,
dlbuenafe@napocor.gov.ph,
drbbontuyan@napocor.gov.ph

- Office of the Solicitor General (OSG)
   134 Amorsolo Street, Legaspi Village, Makati City docket@osg.gov.ph
- 4. Commission on Audit (COA)
  Commonwealth Avenue, Quezon City 1121
  citizensdesk@coa.gov.ph
- 5. Senate Committee on Energy GSIS Building, Roxas Boulevard, Pasay City 1307 senateenergycommittee@gmail.com
- 6. House Committee on Energy
  Batasan Hills, Quezon City 1126
  committee.energy@house.gov.ph
- All Distribution Utilities (DUs)
- Office of the Mayor Quezon City
- Office of the Local Government (LGU) legislative body Quezon City
- Office of the Governor Bulacan
- Office of the Local Government (LGU) legislative body Bulacan
- 12. Office of the Mayor San Jose Del Monte, Bulacan
- Office of the Local Government (LGU) legislative body San Jose Del Monte, Bulacan
- 14. Office of the Mayor Norzagaray, Bulacan
- Office of the Local Government (LGU) legislative body Norzagaray, Bulacan
- Office of the Mayor
   Doña Remedios Trinidad, Bulacan
- 17. Office of the Local Government (LGU) legislative body Doña Remedios Trinidad, Bulacan
- Office of the Governor Province of Pangasinan

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 11 OF 19

- Office of the Local Government (LGU) legislative body Province of Pangasinan
- 20. Office of the Mayor San Nicolas, Pangasinan
- 21. Office of the Local Government (LGU) legislative body San Nicolas, Pangasinan
- 22. Office of the Mayor San Manuel, Pangasinan
- 23. Office of the Local Government (LGU) legislative body San Manuel, Pangasinan
- 24. Office of the Governor Province of Nueva Ecija
- 25. Office of the Local Government (LGU) legislative body Province of Nueva Ecija
- 26. Office of the Mayor Pantabangan, Nueva Ecija
- 27. Office of the Local Government (LGU) legislative body Pantabangan, Nueva Ecija
- 28. Office of the Mayor Carranglan, Nueva Ecija
- 29. Office of the Local Government (LGU) legislative body Carranglan, Nueva Ecija
- 30. Office of the Governor Province of Benguet
- 31. Office of the Local Government (LGU) legislative body Province of Benguet
- 32. Office of the Mayor Atok, Benguet
- 33. Office of the Local Government (LGU) legislative body Atok, Benguet
- 34. Office of the Mayor Bakun, Benguet
- Office of the Local Government (LGU) legislative body Bakun, Benguet
- 36. Office of the Mayor Bokod, Benguet
- 37. Office of the Local Government (LGU) legislative body Bokod, Benguet
- Office of the Mayor Buguias, Benguet
- Office of the Local Government (LGU) legislative body Buguias, Benguet
- 40. Office of the Mayor Itogon, Benguet
- Office of the Local Government (LGU) legislative body Itogon, Benguet

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 12 OF 19

- 42. Office of the Mayor Kabayan, Benguet
- 43. Office of the Local Government (LGU) legislative body Kabayan, Benguet
- 44. Office of the Mayor Kibungan, Benguet
- 45. Office of the Local Government (LGU) legislative body Kibungan, Benguet
- 46. Office of the Mayor La Trinidad, Benguet
- Office of the Local Government (LGU) legislative body La Trinidad, Benguet
- 48. Office of the Mayor Tublay, Benguet
- 49. Office of the Local Government (LGU) legislative body Tublay, Benguet
- 50. Office of the Mayor Hungduan, Ifugao
- 51. Office of the Local Government (LGU) legislative body Hungduan, Ifugao
- 52. Office of the Mayor Tinoc, Ifugao
- 53. Office of the Local Government (LGU) legislative body Tinoc, Ifugao
- 54. Office of the Mayor Bauko, Mt. Province
- 55. Office of the Local Government (LGU) legislative body Bauko, Mt. Province
- 56. Office of the Governor Province of Camarines Sur
- 57. Office of the Local Government (LGU) legislative body Province of Camarines Sur
- 58. Office of the Mayor Buhi, Camarines Sur
- Office of the Local Government (LGU) legislative body Buhi, Camarines Sur
- 60. Office of the Governor Province of Laguna
- 61. Office of the Local Government (LGU) legislative body Province of Laguna
- 62. Office of the Mayor Cavinti, Laguna
- 63. Office of the Local Government (LGU) legislative body Cavinti, Laguna
- 64. Office of the Mayor Lumban, Laguna

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 13 OF 19

- 65. Office of the Local Government (LGU) legislative body Lumban, Laguna
- 66. Office of the Mayor Kalayaan, Laguna
- 67. Office of the Local Government (LGU) legislative body Kalayaan, Laguna
- 68. Office of the Mayor Alaminos, Laguna
- 69. Office of the Local Government (LGU) legislative body Alaminos, Laguna
- 70. Office of the Mayor Bay, Laguna
- 71. Office of the Local Government (LGU) legislative body Bay, Laguna
- 72. Office of the Mayor Calauan, Laguna
- 73. Office of the Local Government (LGU) legislative body Calauan, Laguna
- 74. Office of the Mayor Liliw, Laguna
- Office of the Local Government (LGU) legislative body Liliw, Laguna
- Office of the Mayor Los Banos, Laguna
- Office of the Local Government (LGU) legislative body Los Banos, Laguna
- 78. Office of the Mayor Luisiana, Laguna
- 79. Office of the Local Government (LGU) legislative body Luisiana, Laguna
- 80. Office of the Mayor Magdalena, Laguna
- 81. Office of the Local Government (LGU) legislative body Magdalena, Laguna
- 82. Office of the Mayor Majayjay, Laguna
- 83. Office of the Local Government (LGU) legislative body Majayjay, Laguna
- 84. Office of the Mayor Nagcarlan, Laguna
- Office of the Local Government (LGU) legislative body Nagcarlan, Laguna
- 86. Office of the Mayor Pagsanjan, Laguna
- 87. Office of the Local Government (LGU) legislative body Pagsanjan, Laguna

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- 88. Office of the Mayor Pila, Laguna
- 89. Office of the Local Government (LGU) legislative body Pila, Laguna
- 90. Office of the Mayor Rizal, Laguna
- 91. Office of the Local Government (LGU) legislative body Rizal, Laguna
- 92. Office of the Mayor Sta. Cruz, Laguna
- Office of the Local Government (LGU) legislative body Sta. Cruz, Laguna
- 94. Office of the Mayor Victoria, Laguna
- 95. Office of the Local Government (LGU) legislative body Victoria, Laguna
- 96. Office of the Mayor San Pablo City, Laguna
- 97. Office of the Local Government (LGU) legislative body San Pablo City, Laguna
- 98. Office of the Mayor Calamba City, Laguna
- 99. Office of the Local Government (LGU) legislative body Calamba City, Laguna
- 100. Office of the Governor Province of Batangas
- 101. Office of the Local Government (LGU) legislative body Province of Batangas
- 102. Office of the Mayor Balete, Batangas
- 103. Office of the Local Government (LGU) legislative body Balete, Batangas
- 104. Office of the Mayor Cuenca, Batangas
- 105. Office of the Local Government (LGU) legislative body Cuenca, Batangas
- 106. Office of the Mayor Malvar, Batangas
- Office of the Local Government (LGU) legislative body Malvar, Batangas
- 108. Office of the Mayor Mataas na Kahoy, Batangas
- 109. Office of the Local Government (LGU) legislative body Mataas na Kahoy, Batangas
- office of the Mayor San Jose, Batangas

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- office of the Local Government (LGU) legislative body San Jose, Batangas
- office of the Mayor Sto. Tomas, Batangas
- office of the Local Government (LGU) legislative body Sto. Tomas, Batangas
- office of the Mayor Lipa City, Batangas
- Office of the Local Government (LGU) legislative body Lipa City, Batangas
- office of the Mayor Tanauan City, Batangas
- 117. Office of the Local Government (LGU) legislative body Tanauan City, Batangas
- 118. Office of the Governor Province of Quezon
- Office of the Local Government (LGU) legislative body Province of Quezon
- 120. Office of the Mayor Candelaria, Quezon
- 121. Office of the Local Government (LGU) legislative body Candelaria, Quezon
- 122. Office of the Mayor Dolores, Quezon
- 123. Office of the Local Government (LGU) legislative body Dolores, Quezon
- 124. Office of the Mayor San Antonio, Quezon
- 125. Office of the Local Government (LGU) legislative body San Antonio, Quezon
- 126. Office of the Mayor Sariaya, Quezon
- 127. Office of the Local Government (LGU) legislative body Sariaya, Quezon
- 128. Office of the Mayor Tiaong, Quezon
- 129. Office of the Local Government (LGU) legislative body Tiaong, Quezon
- 130. Office of the Governor Province of Albay
- 131. Office of the Local Government (LGU) legislative body Province of Albay
- 132. Office of the Mayor Tiwi, Albay
- 133. Office of the Local Government (LGU) legislative body Tiwi, Albay

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- Office of the Mayor 134. Malinao, Albay Office of the Local Government (LGU) legislative body 135. Malinao, Albay Office of the Governor Province of Lanao del Sur Office of the Local Government (LGU) legislative body 137. Province of Lanao del Sur Office of the Mayor 138.
- Marawi City, Lanao del Sur
- Office of the Local Government (LGU) legislative body 139. Marawi City, Lanao del Sur
- Office of the Mayor Ditsaan-Ramain, Lanao del Sur
- Office of the Local Government (LGU) legislative body Ditsaan-Ramain, Lanao del Sur
- Office of the Mayor 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 Buadiposo Buntong, Lanao del Sur
- Office of the Mayor 146. Maguing, Lanao del Sur
- Office of the Local Government (LGU) legislative body 147. Maguing, Lanao del Sur
- Office of the Mayor 148. Mulondo, Lanao del Sur
- Office of the Local Government (LGU) legislative body 149. Mulondo, Lanao del Sur
- Office of the Mayor 150. Taraka, Lanao del Sur
- Office of the Local Government (LGU) legislative body 151. Taraka, Lanao del Sur
- Office of the Mayor 152. Tamparan, Lanao del Sur
- Office of the Local Government (LGU) legislative body 153. Tamparan, Lanao del Sur
- Office of the Mayor Bayabao, Lanao del Sur
- Office of the Local Government (LGU) legislative body Bayabao, Lanao del Sur
- Office of the Mayor 156. Poonabayabao, Lanao del Sur

#### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 17 OF 19

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

### ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 18 OF 19

- 180. Office of the Mayor Pagayawan, Lanao del Sur
- 181. Office of the Local Government (LGU) legislative body Pagayawan, Lanao del Sur
- 182. Office of the Mayor Pualas, Lanao del Sur
- 183. Office of the Local Government (LGU) legislative body Pualas, Lanao del Sur
- 184. Office of the Mayor Binidayan, Lanao del Sur
- 185. Office of the Local Government (LGU) legislative body Binidayan, Lanao del Sur
- 186. Office of the Mayor Bayang, Lanao del Sur
- 187. Office of the Local Government (LGU) legislative body Bayang, Lanao del Sur
- 188. Office of the Mayor Butig, Lanao del Sur
- 189. Office of the Local Government (LGU) legislative body Butig, Lanao del Sur
- 190. Office of the Governor Province of Lanao del Norte
- office of the Local Government (LGU) legislative body Province of Lanao del Norte
- 192. Office of the Mayor Pantar, Lanao del Norte
- 193. Office of the Local Government (LGU) legislative body Pantar, Lanao del Norte
- 194. Office of the Mayor Balo-i, Lanao del Norte
- 195. Office of the Local Government (LGU) legislative body Balo-i, Lanao del Norte
- 196. Office of the Mayor Pantao Ragat, Lanao del Norte
- 197. Office of the Local Government (LGU) legislative body Pantao Ragat, Lanao del Norte
- 198. Office of the Mayor Matungao, Lanao del Norte
- 199. Office of the Local Government (LGU) legislative body Matungao, Lanao del Norte
- 200. Office of the Mayor Iligan City, Lanao Del Norte
- 201. Office of the Local Government (LGU) legislative body Iligan City, Lanao Del Norte
- 202. Office of the Governor Province of Bukidnon

# ERC CASE NO. 2024-018 RC ORDER/ 21 FEBRUARY 2024 PAGE 19 OF 19

- 203. Office of the Local Government (LGU) legislative body Province of Bukidnon
- 204. Office of the Mayor Malaybalay, Bukidnon
- Office of the Local Government (LGU) legislative body Malaybalay, Bukidnon
- 206. Office of the Mayor Maramag, Bukidnon
- Office of the Local Government (LGU) legislative body Maramag, Bukidnon
- 208. Office of the Mayor San Fernando, Bukidnon
- 209. Office of the Local Government (LGU) legislative body San Fernando, Bukidnon
- 210. Office of the Mayor Lantapan, Bukidnon
- 211. Office of the Local Government (LGU) legislative body Lantapan, Bukidnon
- 212. Office of the Mayor Valencia City, Bukidnon
- 213. Office of the Local Government (LGU) legislative body Valencia City, Bukidnon
- 214. Office of the Mayor Cabanglasan, Lanao del Norte
- 215. Office of the Local Government (LGU) legislative body Cabanglasan, Lanao del Norte
- 216. Office of the Governor Province of Rizal
- 217. Office of the Local Government (LGU) legislative body Province of Rizal
- 218. Mr. Allen A. Capuyan
   Chairperson
   National Commission on Indigenous Peoples (NCIP)
   N. dela Merced Building, corner West and
   Quezon Avenues, Quezon City
- 219. Foundation for Philippine Environment (FPE)
  Atty. Maria Vicenta P. de Guzman
  77 Matahimik Street, Teachers' Village
  Diliman, Quezon City
- 220. Bukidnon Higaonon Tribal Association (BUHITA) Dampog Residence Sta. Cruz St. Sumpong Malaybalay City, Bukidnon
- Tanggapang Panligal ng Katutubong Pilipino (PANLIPI) No. 30 JGS Building, Scout Tuason cor. Dr. Lazcano Sts. Quezon City
- 222. Regulatory Operations Service (ROS) 14<sup>th</sup> Floor, Exquadra Tower, 1 Jade Drive, San Antonio, Ortigas Center, Pasig City ros@erc.ph

# Republic of the Philippines ENERGY REGULATORY COMMISSION

**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 20)

ERC CASE NO. 2024-018 RC

NATIONAL POWER
CORPORATION,

Petitioner.

Petitioner.

February 21, 2024

#### NOTICE OF PUBLIC/VIRTUAL HEARING

#### TO ALL INTERESTED PARTIES:

Notice is hereby given that on 14 February 2024, National Power Corporation (NPC) filed a *Petition* dated 23 January 2024, seeking the Commission's approval for the availment of the Environmental Charge/Share from the Universal Charge (UC-EC) for the rehabilitation and management of watershed areas (Plan 20).

The pertinent allegations of the *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), 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) San Roque Watershed[;] (3) Angat Watershed Reservation as covered by Proclamation Nos. 505 and 599; (4) Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573; (5) Makiling-Banahaw Geothermal Reservations as covered by Proclamation No. 1111; (6) Buhi-Barit Watershed as covered by Proclamation No. 573; [and] (7) 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 resources; (4)Formulation implementation of measures to prevent denudation of forest cover and siltation of existing reservoirs; (5) Public education and information drive to create awareness among the populace about 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 being 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

#### ERC CASE NO. 2024-018 RC NOTICE OF PUBLIC/VIRTUAL HEARING/21 FEBRUARY 2024 PAGE 3 OF 7

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 of every year. Hence, this petition;

- 7. In support of the instant Petition, Petitioner hereby submits the proposed operations plan for Calendar Year 2024 (hereinafter referred to as "Plan 20") 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 20 which forms an integral part hereof);
- Plan 20 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 22 years (2002-2024), Petitioner has embarked on non-stop greening initiatives in 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 (WATs) 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 20 is composed of programs and projects specified in 9. Section 1, Article II of the Rules and Procedures Governing the Utilization and Disbursement of UC-EC (Rules), with the proposed modes of procurement in implementing the same. In particular, Plan 20 involves the following programs and projects: (1) Watershed Protection and Law Enforcement; (2) Watershed Rehabilitation: (3)Watershed Development; (4) Infrastructure; (5) Administrative and Project Operations and/or Supervision; (6) Equipment Acquisition; (7) Sustainability and Third-Party Evaluation; (8) Biodiversity and Ecotourism; [and] (9) Research Development. These programs and projects recommended by the concerned WAT. And the same were reviewed and evaluated by the Head Office-WMD. (Attached as Annexes "D" to "P" are the proposed plans of the WATs assigned in Angat, Buhi-Barit, Caliraya-Lumot, Lake-Lanao Agus River, Magat, Mak-Ban, Pantabangan, Pulangi, San Roque, Tiwi, Upper Agno and the WMD-Head Office which forms an integral part hereof):
- 10. Plan 20 covers the nine (9) watersheds over which Petitioner has complete jurisdiction and control by virtue of EO 224; San Roque Watershed (Lower Agno) which is 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

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of Agreement with the Department of Environment and Natural Resources;

- 11. Plan 20 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 20 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 20 particularly seeks to attain the rehabilitation through vegetative measures of 700 hectares; reduction of sedimentation and soil erosion inside Petitioner's reforestation areas of at least 2,880 tons/year (Sapalco, S.R., 1981); increase in 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;
- 13. Plan 20 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 stakeholders were brought to the attention of concerned WAT and this serves as the latter's guide in the packaging of Plan 20. This also ensures the support of the LGUs and the local communities for the proposed project;
- In order to attain the objectives of Plan 20, Petitioner would 14. need to avail and utilize the funds from the UC-EC amounting to a total of THREE HUNDRED SEVENTY-TWO MILLION NINE HUNDRED SIXTY EIGHT THOUSAND ONE THIRTY **NINE** AND HUNDRED NINETY SEVEN CENTAVOS (PhP P372,968,139.97), 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. (sic) In compliance with Section 2 (b), Article II of the Rules, Petitioner furnished a copy of the instant petition to the Sangguniang Panlungsod and [the] Office [of] the City Mayor of Quezon City where Petitioner principally operates, and publish[ed] the same in a newspaper of general circulation. (Attached as Annexes "Q" and "R" are proofs of service and publication of the Petition.)

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

Petitioner prays for other just and equitable relief.

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The Commission hereby sets the instant *Petition* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and venues, or online platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020¹ and Resolution No. 01, Series of 2021² (ERC Revised Rules of Practice and Procedure):

Date and Time	Venue/Platform	Activity
14 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission Hearing Room, 11 <sup>th</sup> Floor, Exquadra Tower, 1 Jade Drive, Ortigas Center, Brgy. San Antonio, Pasig City	Determination of compliance with jurisdictional requirements and Expository Presentation for Luzon Stakeholders
21 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission, Visayas Area Operations Division (VAOD), 7 <sup>th</sup> Floor, Kepwealth Building, Samar Loop, Cebu Business Park	Expository Presentation for Visayas Stakeholders
28 May 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Energy Regulatory Commission, Mindanao Area Operations Division (MAOD), 6th Floor, BIZ Bldg., c/o BORMAHECO, Inc., 209 J.P. Laurel Avenue, Bajada, Davao City	Expository Presentation for Mindanao Stakeholders
O4 June 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M)	Microsoft Teams Application	Pre-trial Conference and Presentation of Evidence
11 June 2024		Presentation of Evidence

<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>2</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

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Date and Time	Venue/Platform	Activity
(Tuesday) at nine		
o'clock in the		
morning (9:00 A.M)		
18 June 2024		
(Tuesday) at nine		Presentation of
o'clock in the		Evidence
morning (9:00 A.M)		

Petitioner NPC is directed to attend the said hearings at the designated venues.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled initial hearing, via electronic mail (e-mail) at <a href="docket@erc.ph">docket@erc.ph</a>, and copy furnish the Legal Service through <a href="legal@erc.ph">legal@erc.ph</a>. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

Moreover, any persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at <a href="docket@erc.ph">docket@erc.ph</a>, and copy furnish the Legal Service through <a href="legal@erc.ph">legal@erc.ph</a>, a verified Petition to Intervene at least five (5) calendar days prior to the date of the initial hearing. The verified Petition to Intervene must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name, mailing address, and e-mail 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.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at <u>docket@erc.ph</u>, and copy furnish the Legal Service through <u>legal@erc.ph</u>, their Opposition or Comment thereon at least five (5) calendar days prior to the initial hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. No particular

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form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

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

All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, within five (5) working days from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

Any of the persons mentioned in the preceding paragraphs may access the copy of the *Petition* on the Commission's official website at <a href="https://www.erc.gov.ph">www.erc.gov.ph</a>.

Finally, all interested persons may be allowed to join the scheduled initial hearings by providing the Commission, thru <a href="legal.virtualhearings@erc.ph">legal.virtualhearings@erc.ph</a>, their respective e-mail addresses and indicating therein the case number of the instant *Petition*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

WITNESS, the Honorable Commissioners ALEXIS M. LUMBATAN, CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL, and MARKO ROMEO L. FUENTES, Energy Regulatory Commission, this 21st day of February 2024 in Pasig City.

Medimelanta MONALISA C. DIMALANTA Chairperson and CEO

LS: VMA/MVM/LSP

ERC

Office of the Chairperson and CEO

MCD2024-C14782