

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Ortigas Center, Pasig City

**IN THE MATTER OF THE JOINT
APPLICATION FOR APPROVAL OF THE
POWER SUPPLY AGREEMENT
ENTERED INTO BY AND BETWEEN
PROVINCE OF SIQUIJOR ELECTRIC
COOPERATIVE, INC. AND ISLA
DILAAB ENERGY CORPORATION,
WITH PRAYER FOR PROVISIONAL
AUTHORITY OR INTERIM RELIEF AND
CONFIDENTIAL TREATMENT OF
INFORMATION**

ERC CASE NO. 2026-027 RC

February 24, 2026

**PROVINCE OF SIQUIJOR ELECTRIC
COOPERATIVE, INC. AND ISLA
DILAAB ENERGY CORPORATION,**

Joint Applicants.

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JOINT APPLICATION

*(With Prayer for Provisional Authority or Interim Relief and Confidential
Treatment of Information)*

Joint Applicants **PROVINCE OF SIQUIJOR ELECTRIC COOPERATIVE, INC. (“PROSIELCO”)** and **ISLA DILAAB ENERGY CORPORATION (“ISLA DILAAB”)** (collectively, the “Applicants”), through the undersigned counsels and unto the Honorable Commission, most respectfully state, that:

THE JOINT APPLICANTS

1. Applicant **PROSIELCO** is a non-stock, non-profit Electric Cooperative (“EC”) duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at Barangay Nonoc, Larena, Province of Siquijor. Applicant PROSIELCO serves the power requirements of the municipalities of Siquijor, Larena, Enrique Villanueva, Maria, Lazi, and San Juan, all in the Province of Siquijor (the “PROSIELCO Coverage Area”). For purposes of this *Joint Application*, applicant PROSIELCO

is represented herein by its General Manager, **Glenn V. Galvan**, duly authorized by virtue of PROSIELCO Board Resolution No. 05¹, Series of 2026.

The filing of the instant Joint-Application is likewise authorized by virtue of the afore-mentioned Board Resolution.

2. Applicant **ISLA DILAAB** is a wholly owned subsidiary project company of Vivant Energy Corporation (“VEC”), duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at 9th Floor, Oakridge IT Center 3, Oakridge Business Park, A.S. Fortuna Street, Brgy. Banilad, Mandaue City, Cebu, Philippines. For purposes of this *Joint Application*, applicant ISLA DILAAB is represented by its authorized representative, JOSEPH A. LUA, JR., duly authorized by virtue of a Secretary’s Certificate dated 26 January 2026².

3. The Applicants may be served with the orders, notices, and other processes of the Honorable Commission through their undersigned counsels at the addresses indicated herein.

NATURE OF THE APPLICATION

4. The instant *Joint Application* for approval of the *Power Supply Agreement* (“PSA”) entered into by and between applicants PROSIELCO and ISLA DILAAB dated 30 December 2025 (the “*PROSIELCO-ISLA DILAAB PSA*”)³ is being submitted to the Honorable Commission for its review and approval pursuant to Sections 25⁴ and 45(b)⁵ of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (the “EPIRA”), Rule 20(B) of the Honorable Commission’s Resolution No. 01, Series of 2021 (the “*ERC Revised Rules of Practice and Procedure*”),⁶ and Article VII of the Honorable Commission’s Resolution No. 16, Series of 2023 (the “*ERC 2023 CSP Guidelines*”).⁷

¹ See **Annex “O”** hereof.

² See **Annex “BB”** hereof.

³ See **Annex “A”** hereof.

⁴ SEC.25. Retail Rate. – The retail rates charged by distribution utilities for the supply of electricity in their captive market shall be subject to regulation by the ERC based on the principle of full recovery of prudent and reasonable economic costs incurred, or such other principles that will promote efficiency as may be determined by the ERC.

⁵ Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC: xxx.

⁶ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

⁷ Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements Entered Into by Distribution Utilities for the Supply of Electricity To Their Captive Market.

5. Further submitted for the Honorable Commission's consideration, as supporting documents for the approval of the *PROSIELCO-ISLA DILAAB PSA*, are (a) the PSA entered into by and between applicant PROSIELCO and VEC dated 30 December 2025 (the "*PROSIELCO-VEC PSA*")⁸ and (b) the Deed of Assignment⁹ executed by and between VEC and applicant ISLA DILAAB assigning the *PROSIELCO-VEC PSA* to applicant ISLA DILAAB, VEC's wholly-owned subsidiary project company incorporated for purposes of implementing the said PSA with applicant PROSIELCO (the "*Deed of Assignment*"). Such assignment is expressly permitted, subject to the prior approval of the Honorable Commission, pursuant to Section 17, Appendix B of the *ERC 2023 CSP Guidelines*.

ALLEGATION ON TIMELINESS

6. Pursuant to the *ERC 2023 CSP Guidelines*, the timeliness of the pre-filing of this *Joint Application* shall be reckoned from 30 December 2025, the date of execution of the *PROSIELCO-ISLA DILAAB PSA*.

STATEMENT OF FACTS

7. **Power Situation in the Province of Siquijor.** As an off-grid EC, applicant PROSIELCO is entirely reliant on bilateral power supply contracts to meet the energy demands of its consumers. Unlike grid-connected distribution utilities, applicant PROSIELCO has no access to an electricity spot market, making it critical to secure sufficient long-term power supply agreements to maintain uninterrupted service for its member-consumers.

8. As of 2025, the average peak demand within the PROSIELCO Coverage Area has reached 9.464 MW¹⁰. Based on applicant PROSIELCO's 2025 Power Supply Procurement Plan ("PSPP"),¹¹ peak demand in the PROSIELCO Coverage Area is projected to increase at a rate of approximately 8.85 % annually.

9. To date, applicant PROSIELCO's available supply for the PROSIELCO Coverage Area is limited to a contracted capacity of 12.25MW under an emergency power supply agreement that is set to expire in August 2026.

⁸ See Annex "A-1" hereof.

⁹ See Annex "A-2" hereof.

¹⁰ See Annex "E" hereof.

¹¹ See Annex "G" hereof.

9.1. As background, S.I. Power Corporation (“SIPCOR”) was the sole power supplier of applicant PROSIELCO under various power supply contracts. Following a series of power outages in the Province of Siquijor, the Provincial Board of Siquijor declared a *State of Calamity* during its 125th Regular Session held on 03 June 2025. This development prompted the national government, including the Honorable Commission, to investigate the power situation in the Province of Siquijor.

9.2. In its *Decision* promulgated on 28 August 2025 in ERC Case No. 2025-020 MC, the Honorable Commission issued a *Revocation Order* revoking “*all the Provisional Authority to Operate issued in favor of SIPCOR’s generating units*” within the PROSIELCO Coverage Area, as identified in the *Decision*.

9.3. As an interim measure, and pending the procurement of a long-term power supply through a Competitive Selection Process (“CSP”), applicant PROSIELCO entered into an emergency power supply agreement to address the immediate power supply needs of its consumers.

10. Interestingly, even prior to the issuance of the aforesaid Revocation Order by the ERC, PROSIELCO already suffered a significant increase in the power demand resulting from a radical economic growth brought about by gross influx of tourist, both domestic and foreign, rising of new business establishments most specially resorts of all kinds, which are in high demand primarily patronized by tourists;

11. Accordingly, pursuant to PROSIELCO’s PSPP and DDP which expressly notes the sudden increase in power demand and the projected growth, PROSIELCO conducted a Competitive Procurement Process pursuant to ERC Resolution No. 16, Series of 2023, in order to address the shortfall of power supply of 5MW to 11MW, aggravated by the revocation of the provisional authority implementing all PSAs with SIPCOR.

12. Without the procurement of the instant power supply, applicant PROSIELCO will be left with no contracted supply upon the expiration of its existing emergency power supply agreement, rendering it unable to meet both current demand and projected load growth within its coverage area.

13. In view of the foregoing, applicant PROSIELCO conducted a CSP to procure 5 MW to 11 MW Guaranteed Dependable Capacity (“GDC”), ensuring a stable, reliable, and cost-effective power supply for its consumers.

14. **Conduct of the CSP.** On 14 February 2025, the PROSIELCO Board of Directors passed and approved Board Resolution No. 19 series of 2025¹², designating the members of the Bids and Awards Committee for the conduct of the CSP in the procurement of 5MW to 11MW GDC pursuant to the Cooperative’s DDP and PSPP.

15. On 18 July 2025, the Board of Directors passed and approved Board Resolution no. 74, series of 2025, approving the bidding documents for the CSP to be conducted and endorsing the same to the National Electrification Administration (“NEA”). Pursuant thereto, the PROSIELCO BAC submitted the draft bidding documents to the NEA, together with the above-mentioned Board Resolutions in compliance with NEA Memorandum 2023-057.¹³ After several exchange of correspondence with the NEA, applicant PROSIELCO’s draft bidding documents were approved and the Notice to Commence (“NTC”) dated 04 August 2025 was issued stating that:

*“The submitted revised Bidding Documents is found to be in accordance with the minimum requirements of the National Electrification Administration (NEA) Memorandum No. 2023-57, or the NEA 2023 CSP Guidelines. Hence, **PROSIELCO may now commence its Competitive Selection Process upon the NEA’s issuance of the Certificate of Conformity.**”*

16. Subsequently, the NEA issued the Certificate of Conformity No. NEA-RAO-COC-2025-09, dated 04 August 2025¹⁴, stating that:

*“This is to certify that the contract quantity and cooperation period for the Competitive Selection Process (CSP) of **Province of Siquijor Electric Cooperative, Inc (PROSIELCO)** for the 5MW to 11MW Baseload Power Supply requirement with a 15-year cooperation period is consistent with the latest posted **2025-2034 Power Supply Procurement Plan.**”*

¹² See **Annex “M”** hereof.

¹³ The National Electrification Administration Competitive Selection Process Guidelines Implementing the Department of Energy’s Department Circular No. DC2023-06-0021 and the Energy Regulatory Commission’s Resolution No. 16, Series of 2023

¹⁴ See **Annex “M-4”** hereof.

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Within the validity period, PROSIELCO shall commence the publication and posting of the Invitation to Bid, Terms of Reference, and other pertinent bidding documents a reviewed and deemed consistent with the minimum requirements under the ERC 2023 Implementing Rules and NEA 2023 CSP Guidelines for the conduct of the above-cited CSP.”

17. **Salient Terms of the CSP.** The salient terms of the CSP, as contained in the Final Terms of Reference (“TOR”) duly issued by the PROSIELCO BAC, are as follows:

- **Demand Requirement:** Baseload
- **Term:** Fifteen (15) years reckoned from the Delivery Date.
- **Type of Contract:** Physical Power Supply Agreement; Firm and Dispatchable supply.
- **Target Delivery Date:** The Winning Bidder shall commence delivery on the later of:
 - a. 01 January 2026, or
 - b. the 26th day of the calendar month immediately following the month in which the ERC issues a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued, and the fulfillment of other conditions precedent stated in the PSA.
- **Contracted Capacity:** GDC ranging from 5 MW to 11 MW. The Winning Bidder must supply an *N-1* unit as a reserve to meet the GDC requirement.
- **Source of Power:** Open to all technologies that can supply the firm capacity subject to the environmental limitations, regulations, and promulgations of the local government units in the Province of Siquijor.

18. A *Sworn Statement*, executed by the Chairman of the BAC, detailing the manner in which the CSP was conducted is attached hereto as **Annex “M-54”**. A summary of the key dates and events of the CSP is provided below:

Date	Event
04 August 2025	Issuance of NEA Notice to Commence and Certificate of Conformity.

04 August 2025	PROSIELCO BAC sent letters to DOE, NEA, and the Honorable Commission informing them of the commencement of the CSP.
09 August and 16 August 2025	<p>Invitation to Bid with the Terms of Reference was published in the <i>Daily Tribune</i> newspaper issues dated 09 August and 16 August 2025.</p> <p>Invitation to Bid was posted on the NEA website, and applicant PROSIELCO's official website and social media pages <i>except</i> on the DOE CSP e-based portal due to the temporary shutdown of the website as evidenced by DOE Advisory No. 2024-07-001-SEC.</p> <p>Three (3) prospective bidders purchased the bidding documents and submitted their intention to join the CSP, namely: (i) VEC, (ii) Gigawatt Power Incorporated, and (iii) the Consortium of Maharlika Clean Power Holdings Corporation and WeEnergy Global Pte. Ltd.</p>
19 and 20 August 2025	<p>Invitations to Participate as CSP Observer were sent to the following:</p> <ol style="list-style-type: none"> 1. Consumer Representative – Alejandro Duran, Siquijor Alrex Balete Corporation 2. Community Representative – Wilberto A. Elumbaring, President, PROSIELCO Provincewide MCOO 3. Interested Civil Society Organization – Siquijor Association of Catholic Schools 4. NEA 5. Department of Energy 6. National Power Corporation 7. National Transmission Corporation <p><i>A General Invitation to Participate as CSP Observer</i> for the Pre-Bid Conference was also posted on applicant PROSIELCO's official website and social media pages.</p>
26 August 2025	<p>The Pre-Bid Conference for the CSP was held at the PROSIELCO main office.</p> <p>The Pre-Bid Conference was attended by the prospective Bidders namely: Vivant Energy Corporation, Gigawatt Power Corporation and Maharlika Clean Energy Consortium; and CSP Observers, namely: Wilberto A. Elumbaring, President, PROSIELCO Provincewide MCOO and Alrex Duran of the Siquijor Alrex Balete Corporation</p>
19 September 2025	Issuance of Supplemental Bid Bulletin (“SBB”) No. 1, revising the schedule of bidding activities for the CSP as well as releasing the BAC's official response to the questions raised by the prospective bidders.
19 September 2025	Issuance of SBB No. 2, releasing the final Terms of Reference and final transaction documents for the CSP and reminding the prospective bidders that their bidding documents and proposals must be physically and actually received by the BAC by the bid submission deadline.
22 September 2025	Issuance of SBB No. 3, issuing clerical corrections to Schedules 12, 13, and 18 of the Bidding Procedures, with no other substantial changes made to any part of the transaction documents.
01 October 2025	<i>Invitations to Participate as CSP Observer</i> were sent to the following:

	<ol style="list-style-type: none"> 1. Consumer Representative – Alejandro Duran, Siquijor Alrex Balete Corporation 2. Community Representative – Jose R. Baligod, Chairman, Nationwide Association of Consumers, Inc. (NACI) 3. Interested Civil Society Organization – Siquijor Association of Catholic Schools 4. Siquijor Chamber of Commerce and Industry, Inc. 5. NEA 6. DOE 7. Department of Energy 8. National Power Corporation <p><i>A General Invitation to Participate as CSP Observer</i> for the opening and evaluation of bid proposals was also posted on applicant PROSIELCO’s official website and social media pages.</p>
07 October 2025	<p>The submission and opening of bid proposals was held at the <i>El Pergentina Resort Function Hall</i> in Tinago, Siquijor, Siquijor.</p> <p>Two (2) bidders, VEC and Gigawatt Power Incorporated, timely submitted their bids.</p> <p>On the same date, the respective proposals of VEC and Gigawatt Power Incorporated were evaluated based on the parameters outlined in the final transaction documents issued by the BAC, with VEC emerging as the winning bidder with the Lowest Calculated Bid.</p>
8 -12 October 2025	The post-qualification process was conducted to determine whether VEC complied with and is responsive to all the requirements and conditions as specified in the bidding documents.
13 October 2025	Issuance of BAC Resolution No. CSP-BAC2025-05, Series of 2025 entitled <i>“A Resolution Recommending the Award of Contract to Vivant Energy Corporation (VEC) to Supply the 5MW-11MW Guaranteed Dependable Capacity Power Supply Requirement of the Province of Siquijor Electric Cooperative, Inc. (PROSIELCO) Resulting from the Conduct of CSP.”</i>
13 November 2025	Issuance of Notice to Issue Award by the NEA.
18 November 2025	Issuance of the Notice of Award in favor of VEC.
29 December 2025	PROSIELCO receives the Notice to Execute Agreement ¹⁵ issued by the NEA, directing applicant PROSIELCO to execute the NEA-approved PSA with VEC or applicant ISLA DILAAB (or any other special purpose company of VEC), within three (3) calendar days from receipt.

19. In compliance with the NEA-issued *Notice to Execute Agreement*, applicant PROSIELCO and VEC executed the *PROSIELCO-VEC PSA* on 30 December 2025, and the *Deed of Assignment* and *PROSIELCO-ISLA*

¹⁵ Notably, the NEA expressly recognized the proposed assignment of the PSA, subject to compliance with applicable regulatory requirements. In the Notice to Execute Agreement issued by the NEA, it is stated that: *“It is further noted that, based on VEC’s representations and the documents it submitted in PROSIELCO’s CSP, VEC intends to assign the PSA to its special purpose company, Isla Dilaab Energy Corporation (ISLA DILAAB). In this regard, this Office reminds PROSIELCO and VEC that, while the PSA may be assigned to VEC’s special purpose company, such assignment must strictly comply with the conditions set forth under Item 9, Article 8.1.4(g) of the NEA 2023 CSP Guidelines, consistent with Section 17, Appendix B of ERC Resolution No. 16, Series of 2023.”*

DILAAB PSA subject of this instant *Joint Application* were executed thereafter.

SALIENT TERMS OF THE *PROSIELCO-ISLA DILAAB PSA*

20. The *PROSIELCO-ISLA DILAAB PSA*, a copy of which is attached as **Annex “A”** hereof, contains the following salient terms:

20.1. **Term:** The *PROSIELCO-ISLA DILAAB PSA* shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for fifteen (15) Years from the Delivery Date, unless sooner terminated in accordance with this Agreement and upon approval by the ERC.

20.2. **Delivery Date:** The Delivery Date shall be a date, after Effective Date, reckoned from:

- i. January 01, 2026; or
- ii. the 26th day of the calendar month immediately following the month in which the ERC issues a Provisional Authority (“PA”) or Interim Relief (“IR”), as applicable, or Final Authority (“FA”) subject to the completion/fulfillment of specific conditions outlined in Section 3.3.2 of the *PROSIELCO-ISLA DILAAB PSA*, unless waived in writing by the Parties, (except for the ERC’s PA, IR, or FA, which shall not be subject to waiver).

20.3. **Contract Capacity:** Applicant ISLA DILAAB must make available for dispatch the GDC as provided below or up to a maximum of 11 MW GDC, whichever is higher, subject to allowable outages.

Year	GDC (MW)
2026	5
2027	6
2028	7
2029	8
2030	9
2031	10
2032 to 2040	11

Applicant ISLA DILAAB must supply an *N-1* unit as a reserve to meet the GDC requirement. “*N-1*” means a reserve unit with a dependable capacity equivalent to the largest generating unit, or one of the generating units if of the same capacity, which applicant ISLA DILAAB must install, maintain, and make available for dispatch at all times for the entire Contract Term.

20.4. Monthly Payments: Commencing on Delivery Date and throughout the entire Contract Term, applicant PROSIELCO and the National Power Corporation - Small Power Utilities Group (“NPC-SPUG”) shall pay each billing period an amount equal to the Monthly Payment in accordance with SCHEDULE 4 of the *PROSIELCO-ISLA DILAAB PSA*.

Applicant ISLA DILAAB is entitled to receive payment of the Total Generation Cost, equal to the True Cost Generation Rate (“TCGR”), comprising the *Offtaker Fee* and the *Subsidy Fee*, using the Formulas provided in SCHEDULE 4 of the *PROSIELCO-ISLA-DILAAB PSA*.

The TCGR and the Subsidized Approved Generation Rate (“SAGR”) for a billing period shall be calculated using the Formulas provided in SCHEDULE 4 of the *PROSIELCO-ISLA DILAAB PSA*. The SAGR will be in accordance with the latest amount approved by the ERC for the Province of Siquijor or such other rate as may be approved by the ERC in the future and applicable to the franchise area of the applicant PROSIELCO.

20.5. Tariff Structure and Rates: The unbundled tariff structure and rates, namely, the Capital Recovery Rate (“CRR”), Fixed Operations and Maintenance Rate (“FOMR”), Variable Operations and Maintenance Rate (“VOMR”), Fuel Fee (“FF”) as well as the formulas to compute the Total Generation Cost per billing period are provided in Schedule 4 of the *PROSIELCO-ISLA DILAAB PSA*.

A summary of the unbundled tariff and rates is provided below:

	Rate	Indexation
CRR	Php 2,672.8220/ kW-month	Subject to one-time adjustment as provided in

		Schedule 4 of the <i>PROSIELCO-ISLA DILAAB PSA</i>
FOMR	PhP 757.9844/ kW-month	95% Philippine Consumer Price Index 5% United States Consumer Price Index Base: June 2025
VOMR	PhP 0.8102/kWh	54% Philippine Consumer Price Index 46% European Union Consumer Price Index and subject to adjustments based on the Philippine Peso to Euro foreign exchange rate. Base: June 2025
FF	Pass-through cost subject to fixed fuel consumption rates cap as provided below or actual consumption rates per billing period, whichever is lower.	
Facility	Applicable Months	Fuel Consumption Rate
Interim Facility	24 months from Delivery Date	Light Fuel Oil – 0.2800 li/kWh Lube Oil – 0.0015 li/kWh
Long- term Facility	Corresponding number of months from the end of interim period until the end of the Contract Term.	Heavy Fuel Oil – 0.2400 li/kWh Light Fuel Oil – 0.0050 li/kWh Lube Oil – 0.0015 li/kWh

20.6. Prompt Payment Discount: Applicant ISLA DILAAB shall extend three percent (3%) Prompt Payment Discount (“PPD”) based on the non- fuel fee to applicant PROSIELCO as prompt payment.

20.7. Outage Allowance: Applicant ISLA DILAAB shall not be allowed any Outage Allowance for its Generating Units and shall make available the GDC for the duration of the Contract Term.

However, applicant ISLA DILAAB shall be allowed an Outage Allowance (Scheduled and Unscheduled) of forty-eight (48) hours per calendar year for all other equipment (e.g., connection equipment and common facilities) except for the Generating Units.

No plant-level planned outage (e.g., planned maintenance for connection assets) or Preventive Maintenance Schedule (“PMS”) may be conducted on the generating units during the peak months of April, May, and December of any given year.

20.8. Replacement Power Within the Outage Allowance. The procurement of any Replacement Power within the Outage Allowance shall be the responsibility of applicant PROSIELCO.

20.9. Replacement Power Beyond the Outage Allowance. The procurement of any Replacement Power beyond the Outage Allowance shall be the responsibility of applicant ISLA DILAAB. Provided further, that the rates to be charged for the procurement of Replacement Power shall be the lower between:

- i. the actual price of the Replacement Power; or
- ii. the approved charge for the *PROSIELCO-ISLA DILAAB PSA* as computed in accordance with Section 6.8.4.1 thereof.

Applicant ISLA DILAAB shall likewise provide Replacement Power under the following conditions:

- i. If it fails to deliver the GDC by Delivery Date due to its own fault or negligence;
- ii. If, at any time after the Delivery Date, it fails to deliver the GDC due to its own fault or negligence, subject to Outage Allowance; or
- iii. If it schedules a plant-level outage during the peak months of April, May, or December, even if the outage remains within the allowable Outage Allowance.

In the event that applicant ISLA DILAAB fails to provide the required Replacement Power under circumstances where it

is obligated to do so, applicant PROSIELCO shall be allowed to source the Replacement Power at the expense of applicant ISLA DILAAB. Applicant ISLA DILAAB shall shoulder the positive difference between the Replacement Power cost and the approved rate for *PROSIELCO-ISLA DILAAB PSA* and pay Liquidated Damages provided in Section 7.8 thereof.

21. Explanation on Allowable Outage for Connection Facilities and Common Facilities: The Final TOR for the CSP prohibited Outage Allowance for generating facilities due to the GDC requirement. However, a maximum of 48 hours per year is allowed for scheduled and unscheduled outages, limited to preventive maintenance of Connection Facilities and Common Facilities.

The Applicants respectfully submit that this arrangement is consistent with the previous rulings of the Honorable Commission. Notably, in an *Order* dated 23 June 2020 under ERC Case No. 2020-012 RC involving an off-grid electric cooperative, the Honorable Commission approved a PSA provision allowing outage allowances for equipment other than generating units, notwithstanding the GDC requirement.

22. Generation Facilities. Applicant ISLA DILAAB shall implement a two-stage generation development plan, consisting of an *Interim Facility* and a *Long-Term Facility*.

Under the *Interim Facility*, applicant ISLA DILAAB shall deploy 12 × 1.120 MW modular diesel-generating units, which shall operate using light fuel oil. The *Interim Facility* shall be operated for a maximum period of twenty-four (24) months from the Delivery Date and shall serve as a temporary measure to ensure the immediate availability of capacity for applicant PROSIELCO pending the completion and commissioning of the *Long-Term Facility*.

The *Long-Term Facility* shall be implemented upon the satisfaction of all conditions precedent stated in the *PROSIELCO-ISLA DILAAB PSA* and, in any event, shall be commissioned within a period not exceeding twenty-four (24) months from the Delivery Date, and shall consist of 2 × 7.473 MW and 1 × 5.564 MW generating units operating primarily on heavy fuel oil, with light fuel oil to be used only during startup and shutdown operations and as a secondary fuel source.

Lube oil shall be required for the operation and maintenance of generating units under both the *Interim Facility* and the *Long-Term Facility*.

23. **Equity and Financing Plan.** The installation of the generation assets shall be funded through a combination of debt and equity.

It is worth noting that the Honorable Commission has previously recognized that the rate of return of power suppliers in off-grid areas should be higher than in on-grid areas. In a *Decision* dated 31 January 2011 in the consolidated cases of ERC Case Nos. 2005-042 RC and 2008-023 RC involving an EC serving an off-grid area, the Honorable Commission recognized the unique challenges faced by power suppliers in off-grid areas. Factors such as the remoteness of locations, lower levels of economic development, and the financial condition of ECs necessitate a higher Weighted Average Cost of Capital (“WACC”) or internal rate of return. The pertinent portion of the said *Decision* states:

“The Commission believes that the WACC/internal rate of return of power suppliers in [National Power Corporation Small Power Utilities Group (“NPC-SPUG”)] areas should be relatively higher than those in the main grid considering the economic factors involved such as proximity of location, economic development in the area and economic situation of electric cooperatives, among others.”

24. **Subsidized Approved Generation Rate.** Consistent with the Honorable Commission’s Resolution No. 21, Series of 2011, applicant PROSIELCO’s consumers shall pay only the SAGR approved by the Honorable Commission as the generation component of the retail rate.

25. **Estimated Rate Impact.** Based on applicant PROSIELCO’s estimated rate impact analysis, the implementation of the *PROSIELCO-ISLA DILAAB PSA* will lower applicant PROSIELCO’s blended TCGR from PhP25.7575/kWh to PhP22.0416/kWh, or a decrease of about PhP3.7159/kWh:

SUMMARY OF RATE IMPACT:				
Scenario	Blended TCGR Subject to UCME - VAT Inclusive, PhP/kWh	2025 SAGR, PhP/kWh	UCME Subsidy, PhP/kWh	Increase in Subsidy, PhP/kWh
SCENARIO A: TOTAL POWER INC. - EMERGENCY POWER SUPPLY AGREEMENT	25.7575	8.2582	17.4993	Baseline
SCENARIO B: ISLA DILAAB - 15-YEAR POWER SUPPLY AGREEMENT	22.0416	8.2582	13.7834	(3.7159)

A copy of the Rate Impact Simulation is hereto attached as **Annex “J”**.

26. Applicants emphasize that the conduct of CSP was mandated to ensure the provision of least cost supply to applicant PROSIELCO’s consumers. In the case of *Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy*

*Regulatory Commission, et. al.*¹⁶ (the “*Alyansa Case*”), the Supreme Court held that competitive public bidding is the most efficient, transparent, and effective guarantee that there will be no price gouging by distribution utilities. The Supreme Court in the *Alyansa Case* also held that the purpose of the CSP is to ensure transparency and competition in the procurement of power supply by distribution utilities so as to provide the least-cost electricity to the consuming public.

27. Considering that the *PROSIELCO-ISLA DILAAB PSA* was a result of a valid CSP conducted by applicant PROSIELCO, it follows that the rates in the *PSA* and the provisions contained therein already assure that applicant PROSIELCO and its customers will be provided with reliable, secure, and quality supply of power in the least-cost manner. Thus, the rates in the *PROSIELCO-ISLA DILAAB PSA* should be implemented, as is, based on the subject *PSA* itself.

28. **Assignment of the PSA from VEC to applicant ISLA DILAAB.** As mentioned above, the instant *Joint Application* likewise seeks the Honorable Commission’s approval of the proposed assignment of the *PROSIELCO-VEC PSA* from VEC to applicant ISLA DILAAB -- VEC’s wholly owned subsidiary project company incorporated for purposes of implementing the *PSA* with applicant PROSIELCO.

29. As background, the Bidding Procedures for the CSP expressly allowed prospective bidders to assign the *PSA* to a Special Purpose company (“SPC”), subject to the submission of specific documentary requirements.¹⁷ In compliance therewith, VEC executed and submitted as part of its bidding documents an *Undertaking to Incorporate*,¹⁸ whereby VEC committed to incorporate and register an SPC with the Securities and Exchange Commission, infuse the necessary capital, and ensure that such project company assumes all rights and obligations under the *PSA* with PROSIELCO should VEC emerge as the winning bidder in the CSP. VEC likewise submitted an *Undertaking to Assume Liability*,¹⁹ pursuant to which it agreed to remain jointly and severally liable to PROSIELCO and the PROSIELCO BAC for any breach, violation, default, or non-performance by the SPC of any provision of the *PSA*, including all resulting damages, penalties, or other liabilities, for the entire term of the *PSA*.

¹⁶ G.R. No. 227670, Decision dated 3 May 2019.

¹⁷ See II-09, *Legal Eligibility Requirements*, subparagraph (f) at page 23 of the Bidding Procedures.

¹⁸ See Annex “M-25” hereof.

¹⁹ See Annex “M-26” hereof.

30. After VEC was declared the winning bidder in the CSP and following the issuance of the Notice of Award, ISLA DILAAB was incorporated on 16 December 2025 to serve as the SPC that would assume VEC's obligations as the winning bidder under the CSP.

31. Thereafter, following the execution of the *PROSIELCO -VEC PSA*, VEC executed a *Deed of Assignment* on 30 December 2025,²⁰ whereby VEC irrevocably assigned to applicant ISLA DILAAB all its rights and obligations under the PSA with applicant PROSIELCO, with applicant ISLA DILAAB accepting and assuming the same, resulting in the subsequent execution of the *PROSIELCO-ISLA DILAAB PSA*, subject to the approval of the Honorable Commission. The same *Deed of Assignment* further states that VEC and its stockholders shall remain jointly and severally liable for any violations arising from applicant ISLA DILAAB's acts or omissions.

32. Section 17, Appendix B of the *ERC 2023 CSP Guidelines* expressly provides that a PSA resulting from a CSP may be assigned to the winning bidder's subsidiary project company, subject to: (i) the execution of a Deed of Assignment which expressly provides for the winning bidder's and its stockholders' joint and several liability for any violation of the PSA and the *ERC 2023 CSP Guidelines*; and (ii) the ERC's approval and determination of the assignee's legal, technical, and financial eligibility. For reference, Section 17 states:

"Section 17. Lock-up provision. – The Winning Bidder shall not be allowed to sell and/or assign the executed PSA resulting from a successful CSP to any other entity, except under the following conditions: (1) assignment to the Winning Bidder's subsidiary project company, provided that the Deed of Assignment shall state that the Winning Bidder and its stockholders shall be jointly and severally liable for any violation of the PSA terms and these Guidelines committed by its Assignee project company; and (2) upon ERC's approval and determination of the assignee or buyer's legal, technical, and financial eligibility."

33. Applicant ISLA DILAAB respectfully submits that the proposed assignment of the PSA by VEC fully complies with the requirements of the *ERC 2023 CSP Guidelines*, as well as the Bidding Procedures issued by PROSIELCO BAC for the CSP, and satisfies all legal, technical, and financial conditions prescribed for the assignment of a PSA to a subsidiary project company.

²⁰ See Annex "A-2" hereof.

33.1. **Legal.** Applicant ISLA DILAAB is a duly incorporated, wholly owned subsidiary project company of the Winning Bidder, VEC, established specifically for purposes of implementing the PSA with applicant PROSIELCO. Copies of its corporate registration and constituent documents are attached as **Annex “Q”** of this instant *Joint Application*. As such, applicant ISLA DILAAB possesses separate juridical personality and legal capacity to be assigned the *PROSIELCO-VEC PSA*. All licenses, permits, and regulatory approvals required for the implementation of the *PROSIELCO-ISLA DILAAB PSA* shall be secured in applicant ISLA DILAAB’s name.

33.2. **Technical.** Applicant ISLA DILAAB possesses the technical capability to ensure full compliance with the implementation of the *PROSIELCO-ISLA DILAAB PSA*. To this end, it has established, and shall maintain, an organizational structure composed of qualified personnel with relevant experience in the electric power industry, particularly in the generation sector, who shall be engaged to operate and manage the power plant in accordance with applicable laws, rules, and standards. A description of the proposed organizational structure and staffing plan is attached as **Annex “Z”** of this instant *Joint Application*.

33.3. **Financial.** As part of the proposal it submitted for the CSP, VEC submitted an *Affidavit by Bidder to Infuse Equity*,²¹ committing to infuse sufficient capital as may be necessary for applicant ISLA DILAAB to implement the *PROSIELCO-ISLA DILAAB PSA*. Applicant ISLA DILAAB likewise has access to the credit lines extended to VEC by its existing financial institutions as shown in **Annex “U-1” hereof**.

33.4. Further, the *Deed of Assignment* expressly provides that VEC, together with its stockholders, shall be jointly and severally liable for any violation of the *PROSIELCO-ISLA DILAAB PSA* or the ERC Resolution No. 16, Series of 2023, arising from or attributable to the acts or omissions of applicant ISLA DILAAB.

33.5. In view of the foregoing, applicant ISLA DILAAB respectfully prays that the Honorable Commission approve and

²¹ See **Annex “M-33”** hereof.

allow the assignment of the *PROSIELCO-VEC PSA* from VEC to applicant ISLA DILAAB.

34. Copies of the following documents and/or information are attached to this *Joint Application* as annexes and made as integral parts hereof:

Annex	Documents/Information	Pre-filing Annex Label
"A"	PROSIELCO-ISLA DILAAB PSA	01
"A-1"	PROSIELCO-VEC PSA	01A
"A-2"	Deed of Assignment of the PSA	01B
"B"	Executive Summary of the PROSIELCO-ISLA DILAAB PSA	24
"C"	PROSIELCO Certificate of Registration, Articles of Incorporation, and By-Laws	02
"D"	PROSIELCO Certification on Board of Directors	03
"E"	Supply and Demand Scenario, Details of Existing Suppliers, Contract Utilization, and Average Daily Load Curve	18
"F"	PROSIELCO Distribution Development Plan	18A
"G"	PROSIELCO Power Supply Procurement Plan	18B
"H"	Single Line Diagram	19
"I"	PROSIELCO SAIFI SAIDI (2021 to 2025)	20
"J"	Rate Impact Analysis	26D-02
"K"	PROSIELCO Alternative Demand Side Management Program	16
"L"	PROSIELCO Omnibus Certification of Non-Applicability	17
"M"	PROSIELCO Board Resolution for the Establishment of BAC	I
"M-1"	Invitations to Pre-Bid Conference	J

"M-2"	Invitations to Opening of Bids	J1
"M-3"	Invitation to Bid	K
"M-4"	NEA Certificate of Conformity	L
"M-5"	NEA Notice to Commence	-
"M-6"	Publication of the Invitation to Bid dated 09 August 2025	M
"M-7"	Publication of the Invitation to Bid and Affidavit of Publication dated 16 August 2025	M1
"M-8"	ITB Posting on PROSIELCO Website	N
"M-9"	ITB Posting on NEA Website	N1
"M-10"	Affidavit on ITB Posting on DOE Portal	N2
"M-11"	DOE Advisory No. 2024-07-001-SEC	N3
"M-12"	Instructions to Bidders	O
"M-13"	Terms of Reference	P
"M-14"	Summary of the Pre-Bid Conference	Q-1
"M-15"	Minutes of the Pre-Bid Conference	Q-1A
"M-16"	Supplemental Bid Bulletin No. 1	Q-2
"M-17"	Supplemental Bid Bulletin No. 2	Q-2A
"M-18"	Supplemental Bid Bulletin No. 3	Q-2B
"M-19"	VEC Executive Summary	R-1
"M-20"	VEC Organizational Structure	R-2
"M-21"	VEC Certificate of Incorporation	R-3A
"M-22"	VEC Latest General Information Sheet	R-3B
"M-23"	VEC Secretary's Certificates	R-3C
"M-24"	VEC Omnibus Sworn Certification	R-3D
"M-25"	VEC Undertaking to Incorporate	-
"M-26"	VEC Undertaking to Assume Liability	-
"M-27"	VEC Affidavit of Affiliation, General Portfolio, GCMR, COC, PAO	R-4

"M-28"	VEC Sworn Certification with Existing PSA	R-4A
"M-29"	VEC 2023 – 2024 Audited Financial Statements	R-5
"M-30"	VEC Net Financial Contracting Capacity	R-5A
"M-31"	[CONFIDENTIAL] VEC Equity and Financing Plan, Treasurers Affidavit, and Affidavit to Infuse Equity	R-5B
"M-32"	[CONFIDENTIAL] VEC Proof of Commitment of Available Credit Lines	R-5C
"M-33"	[CONFIDENTIAL] Affidavit by Bidder to Infuse Equity	-
"M-34"	VEC Certification on Acceptance of Transaction Documents	S-1
"M-35"	[CONFIDENTIAL] VEC Bid Security	S-2
"M-36"	[CONFIDENTIAL] VEC Performance Security	S-3
"M-37"	VEC Authorization Letter for BAC	S-4
"M-38"	[CONFIDENTIAL] VEC Technical Bid Form	S-5
"M-39"	[CONFIDENTIAL] VEC Financial Bid Form	S-6
"M-40"	Draft Power Supply Agreement	S-7
"M-41"	Evaluation Sheet (Legal Eligibility)	T-1
"M-42"	Evaluation Sheet (Technical Eligibility)	T-1A
"M-43"	Evaluation Sheet (Financial Eligibility)	T-1B
"M-44"	Evaluation Sheet (Technical Proposal)	T-2
"M-45"	Evaluation Sheet (Bid Security)	T-3
"M-46"	BAC Resolution on Award of Contract	U-1
"M-47"	PROSIELCO Board Resolution dated 30 October 2025 Adopting the Recommendation of the BAC	-
"M-48"	Abstract of Bids	U-2
"M-49"	PROSIELCO CSP Report	U-3
"M-50"	Summary of Proceedings for Post-Qualification	U-4A

	"M-51"	NEA Notice to Issue Award	-
	"M-52"	Notice of Award	U-5
	"M-53"	Notice to Execute Agreement	V-3
	"M-54"	Sworn Statement of BAC on Conduct of CSP	V-4
	"N"	PROSIELCO Board Resolution dated 10 December 2025	-
	"O"	PROSIELCO Board Resolution dated 08 January 2026	D
	"P"	VEC Certificate of Incorporation, Articles of Incorporation, By-Laws, Certificate of Filing of Amended By-Laws, Amended By-Laws, and 2025 and Amended 2025 General Information Sheets	04
	"Q"	ISLA DILAAB Certificate of Incorporation, Articles of Incorporation, By-Laws, and 2025 General Information Sheet	04A
	"R"	VEC Certification on Board of Directors	05
	"S"	VEC Details of Transmission Project	22
	"T"	[CONFIDENTIAL] Expansion Plan	23E
	"U"	[CONFIDENTIAL] ISLA DILAAB Financial Model	25
	"U-1"	[CONFIDENTIAL] VEC Bank Certification	25D
	"U-2"	[CONFIDENTIAL] Basis of Indexation, Escalation, and Other Charges	26E
	"V"	[CONFIDENTIAL] Sample Power Bills	26D
	"W"	[CONFIDENTIAL] Fuel Supply Plan	29
	"X"	Relevant technical and economic characteristics of the generation capacity	31
	"Y"	Net Heat Rate Certificate	32B
	"Z"	ISLA DILAAB Organizational Structure and Staffing Pattern	-
	"AA"	ISLA DILAAB Omnibus Certification of Non-Applicability	07

“AA-1”	ISLA DILAAB Affidavit of Undertaking	09
“BB”	ISLA DILAAB Secretary’s Certificate	D1
“CC”	Affidavit of Service	F, F1
“DD”	Affidavit of Publication	G, G-1
“EE”	ISLA DILAAB Affidavit in Support of Prayer for Provisional Authority	-
“FF”	PROSIELCO Affidavit in Support of Prayer for Provisional Authority	-

**ALLEGATIONS RELATIVE TO THE
PRAYER FOR CONFIDENTIAL TREATMENT OF INFORMATION**

35. Section 1, Rule 4 of the *ERC Revised Rules of Practice and Procedure* provides that a party to a proceeding before the Honorable Commission may move for information to be treated as confidential.

36. Pursuant thereto, applicant ISLA DILAAB prays that the information contained in the documents enumerated below be treated as *CONFIDENTIAL* and that the same be continuously protected from public disclosure, except to the officers and staff of the Honorable Commission (collectively referred to as “Confidential Documents”):

Annex	Documents/Information
“M-31”	[CONFIDENTIAL] VEC Equity and Financing Plan, Treasurers Affidavit, and Affidavit to Infuse Equity
“M-32”	[CONFIDENTIAL] VEC Proof of Commitment of Available Credit Lines
“M-33”	[CONFIDENTIAL] Affidavit by Bidder to Infuse Equity
“M-35”	[CONFIDENTIAL] VEC Bid Security
“M-36”	[CONFIDENTIAL] VEC Performance Security
“M-38”	[CONFIDENTIAL] VEC Technical Bid Form
“M-39”	[CONFIDENTIAL] VEC Financial Bid Form
“T”	[CONFIDENTIAL] Expansion Plan
“U”	[CONFIDENTIAL] ISLA DILAAB Financial Model
“U-1”	[CONFIDENTIAL] VEC Bank Certification

“U-2”	[CONFIDENTIAL] Basis of Indexation, Escalation, and Other Charges
“V”	[CONFIDENTIAL] Sample Power Bills
“W”	[CONFIDENTIAL] Fuel Supply Plan

37. The Confidential Documents contain certain non-public information, data, and calculations involving business operations and financial trade secrets reflecting VEC and applicant ISLA DILAAB’s investment and business calculations. As such, the foregoing information, data, and calculations fall within the bounds of “trade secrets” that are entitled to protection under the law.

38. In the case *Air Philippines Corporation vs. Pennswell Inc.*,²² the Supreme Court defined “trade secret” as follows:

“A trade secret is defined as a plan or process, tool, mechanism, or compound known only to its owner and those of his employees to whom it is necessary to confide it. The definition also extends to a secret formula or process not patented, but known only to certain individuals using it in compounding some article of trade having commercial value. A trade secret may consist of any formula, pattern, device, or compilation of information that (1) is used in one’s business; and (2) gives the employer an opportunity to obtain advantage over competitors who do not possess the information. Generally, a trade secret is a process or device intended for continuous operation of the business, for example, a machine or formula, but can be a price list or catalogue or specialized customer list. It is indubitable that trade secrets constitute proprietary rights.”

39. Also, the Confidential Documents were prepared and developed for the exclusive use of applicant ISLA DILAAB and VEC, and is designed for the specific use of the company and its affiliates in its power generation business. Consequently, should the same be disclosed to the public, they could easily be copied or used by VEC or applicant ISLA DILAAB’s competitors or other entities engaged in the power business to the prejudice of VEC or applicant ISLA DILAAB.

40. The interest of applicant PROSIELCO’s consumers is sufficiently protected by the review and evaluation of the rates under the *PROSIELCO-ISLA DILAAB PSA* by the Honorable Commission, without the need to disclose the contents of the Confidential Documents.

²² G. R. No. 172835, 13 December 2007.

41. Given the foregoing, the Confidential Documents qualifies as “confidential information” and applicant ISLA DILAAB respectfully moves for the issuance of a Protective Order to this effect.

ALLEGATIONS IN SUPPORT FOR THE ISSUANCE OF PROVISIONAL AUTHORITY

42. A provisional approval of the *PROSIELCO-ISLA DILAAB PSA* resulting from the assignment of the *PROSIELCO-VEC PSA* to applicant ISLA DILAAB is necessary ensure sufficient and reliable power supply to meet both the current and growing demands of applicant PROSIELCO.

42.1. Applicant PROSIELCO as an off-grid EC is fully dependent on bilateral power supply agreements to meet the energy needs of its consumers. Unlike on-grid utilities, applicant PROSIELCO has no access to an electricity spot market to supplement its power supply.

42.2. The peak demand in the PROSIELCO Coverage Area is projected to grow at an average annual rate of 8.85%. While applicant PROSIELCO’s current supply of 12.250 MW is presently sourced under an existing emergency power supply agreement expiring on 29 August 2026.

42.3. Without the immediate implementation of the *PROSIELCO-ISLA DILAAB PSA*, the entire Province of Siquijor shall face looming daily rotational blackouts, disrupting the lives of Siquijodnons, compromising hospitals and healthcare services, and endangering lives. Schools may reduce hours or suspend classes, government services could be paralyzed, and the local economy would suffer severely as businesses struggle without reliable electricity.

43. Additionally, prospective lenders and shareholders require provisional approval of the *PROSIELCO-ISLA DILAAB PSA* before providing the necessary financing to commence development activities. These activities are capital-intensive and construction must be expedited to ensure that applicant ISLA DILAAB can timely supply power to applicant PROSIELCO. Thus, the issuance of a provisional approval shall enable applicant ISLA DILAAB to move forward with the project, supply additional, more stable,

secure and reliable power to applicant PROSIELCO, and reduce the UCME subsidy charges to all electricity consumers nationwide.

44. The *Affidavits* of **ERICKSON B. OMAMALIN** and **GLENN V. GALVAN** attesting to the truth of the above matters and in support of the prayer for provisional authority is attached as **Annexes “EE” and “FF”** respectively.

45. Pursuant to the Honorable Commission’s Rules of Practice and Procedure, the Honorable Commission may exercise its discretion by granting a provisional authority or an interim relief prior to a final decision. It is understood that the provisional authority or interim relief sought by the *Joint Applicants* shall be subject to adjustments and other conditions that the Honorable Commission may impose.

PRAYER

WHEREFORE, premises considered, Joint Applicants **PROVINCE OF SIQUIJOR ELECTRIC COOPERATIVE, INC.** and **ISLA DILAAB ENERGY CORPORATION** most respectfully pray that the Honorable Commission:

1. **ISSUE AN ORDER** declaring the Confidential Documents attached hereto as **Annexes “M-31”, “M-32”, “M-33”, “M-35”, “M-36”, “M-38”, “M-39”, “T”, “U”, “U-1”, “U-2”, “V”, and “W”** as confidential information as well as directing that the same be treated with confidentiality and be protected from public disclosure;
2. **ISSUE** the corresponding **PROTECTIVE ORDER** in accordance with Section 2, Rule 4 of the *ERC Revised Rules of Practice and Procedure*;
3. **GRANT PROVISIONAL AUTHORITY** to implement the *PROSIELCO-ISLA DILAAB PSA* and allow applicant PROSIELCO to collect such rates, fees, and charges as provided in the PSA pending final evaluation of the instant *Application*;
4. **APPROVE** the assignment of the *PROSIELCO-VEC PSA* from VEC to applicant **ISLA DILAAB ENERGY CORPORATION**, in accordance with the *ERC 2023 CSP Guidelines*;
5. **DIRECT** the National Power Corporation – Small Power Utilities

Group (“NPC-SPUG”) to execute a Subsidy Agreement with applicant PROSIELCO and ISLA DILAAB and **DIRECT** NPC-SPUG to pay applicant ISLA DILAAB the difference between True Cost of Generation Rate (“TCGR”) and the Subsidized Approved Generation Rate (“SAGR”) though the Universal Charge for Missionary Electrification (“UCME”) subsidy computed as provided in the *PROSIELCO-ISLA DILAAB PSA*, all reckoned from the Delivery Date of the PSA; and

6. After due notice and hearing, **ISSUE A DECISION** (i) approving the instant *Joint Application in toto* which will thereby allow/authorize applicant PROSIELCO to charge and collect the fees from its consumers reckoned from the commencement of the supply to the latter by applicant ISLA DILAAB; and (ii) directing that the rates, terms, and conditions of the *PROSIELCO-ISLA DILAAB PSA* be retroactively applied for the entire term of the PSA.

Other reliefs just and equitable under the premises are, likewise, prayed for.

Quezon City and Cebu City for Pasig City, 29 January 2026.

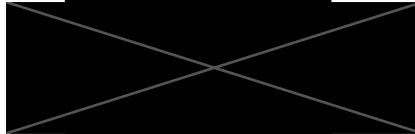
- *Signature Pages Follow* -

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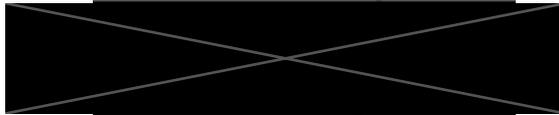
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IBP OR (To follow); Cebu City; Feb. 17, 2022
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MCLE Compliance III, 0019612; Dec. 14, 2010



ALAN BYRNE S. GAVIOLA

PTR No. 1579277; Cebu City; Dec. 09, 2025 (For 2026)
IBP No. 563859; Cebu City; Dec. 09, 2025 (For 2026)
Roll No. 62695
MCLE Compliance VIII – 0040042; Apr. 14, 2028

Republic of the Philippines)
QUEZON CITY) S.S

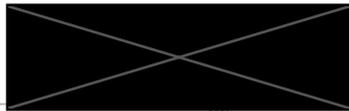
**VERIFICATION AND
CERTIFICATION AGAINST FORUM SHOPPING**

I, **Joseph A. Lua, Jr.**, of legal age, Filipino citizen, with office address at 19th Floor, Alveo Financial Tower, 6794 Ayala Avenue, Makati, after having been duly sworn to in accordance with law, do hereby depose and state that:

1. I am the duly authorized representative of Isla Dilaab Energy Corporation (“ISLA DILAAB”) with authority to represent ISLA DILAAB in the Joint Application to be filed with the Energy Regulatory Commission (“ERC”) for the approval of the Long-Term Power Supply Agreement (“LTPSA”) entered into by ISLA DILAAB and the Province of Siquijor Electric Cooperative (“PROSIELCO”), with prayer for issuance of provisional authority and confidential treatment of information (the “Joint Application”);
2. I have caused the preparation and filing of the Joint Application and have read the contents thereof, and, based on my personal knowledge and on authentic records of ISLA DILAAB, all the allegations contained therein on the part of ISLA DILAAB are true and correct;
3. The Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;
4. The factual allegations in the Joint Application have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
5. ISLA DILAAB has not commenced any other action or proceeding involving the same issue/s in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency and, to the best of my knowledge, no such other action or claim is pending therein; and
6. Should I hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal or quasi-judicial agency, I shall report the said fact within five (5) days from discovery thereof to the Honorable Commission.

QUEZON CITY

IN WITNESS WHEREOF, I have hereunto affixed my signature this day of JAN 30 2026 in



JOSEPH A. LUA, Jr.
Affiant

SUBSCRIBED and SWORN TO before me on JAN 30 2026, by affiant who personally appeared before me, exhibiting to me the following competent evidence of identity:

Name	Competent Evidence of Identity	Date Expiring
Joseph A. Lua, Jr.	P7474873A	06 JUN 2028

Doc No. 169
Page No. 21
Book No. 21
Series of 2026.

ATTY. CESAR M. AZANES JR.
NOTARY PUBLIC
ADM. MATTER NO.: NP-098 (2025 - 2026)
VALID UNTIL DECEMBER 31, 2026
IBP No.: 126827610 / 01-05-2026 / QC/IBP ROLL NO.: 46427
PTR No. 8371171 / 01/05/2026 / QC/TIN 140-394-836-0001
MCLE Compliance No.: VM-0023991 Valid until April 14, 2028
Add.: 2A 3rd Avenue 2nd Floor Bagong Lipunan ng Crame, Quezon City

REPUBLIC OF THE PHILIPPINES)
Province of Siquijor.) S.S
Municipality of Siquijor.)

VERIFICATION and
CERTIFICATION AGAINST FORUM SHOPPING

I, **GLENN V. GALVAN**, Filipino, of legal age, with office address at PROSIELCO, Nonoc, Larena, Siquijor, Philippines, after being sworn in accordance with law, hereby depose and say, that:

I am the General Manager duly authorized by the Board of Directors to file the foregoing Joint Application;

I caused the preparation of the foregoing Joint Application. I have read and understood the foregoing Application, the allegations of which are true and correct based on my own personal knowledge and/or on authentic records;

The Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

The factual allegations in the Application have evidentiary support, or if specifically so identified, will likewise have evidentiary support;

That PROSIELCO has not commenced any action or proceedings involving the same issues before the Supreme Court, Court of Appeals, or any other tribunal or agency; that to the best of our knowledge, no such action or proceeding is pending in the Supreme Court, Court of Appeals, or any other tribunal agency; that should hereafter we learn that a similar action or proceedings has been filed or is pending before the Supreme Court, Court of Appeals, or any other Tribunal or agency, we shall undertake to report to the Honorable Commission of said fact within five (5) days from knowledge therefrom; and

IN WITNESS WHEREOF, I have hereunto affixed my signature this ___ day of 30 JAN 2026 2026, at the Province of Siquijor, Philippines.



GLENN V. GALVAN
Affiant

30 JAN 2026 **SUBSCRIBED AND SWORN TO** before me this ___ day of ___ in Siquijor, Province of Siquijor, Philippines. Affiant exhibited to me, for identification purposes, her Philippine Passport with ID No. P1863219B valid until June 5, 2029.



ATTY. FRANCIS JIMMY D. IMRONG
NOTARY PUBLIC FOR THE PROVINCE OF SIQUIJOR
NOTARIAL COMMISSION NO. 2025-05
UNTIL DECEMBER 31, 2026
LARENA, SIQUIJOR
ROLL NO. 52926
PTR NO. 220296 K/7 JANUARY 2026
IBP NO. 580753 / 31 DECEMBER 2025
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Doc. No. 288 ;
Page No. 93 ;
Book No. 3 ;
Series of 2026.