

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
APPLICATION FOR
AUTHORITY TO DEVELOP
AND OWN DEDICATED
POINT-TO-POINT LIMITED
FACILITIES TO CONNECT
THE RASLAG IV SOLAR
POWER PLANT TO THE
LUZON GRID, WITH
PRAYER FOR PROVISIONAL
AUTHORITY**

ERC CASE NO. 2024-018 MC

RASLAG CORP.,

Applicant,

X-----X

Promulgated:

June 18, 2024

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that, on 15 May 2024, the RASLAG Corp., (RASLAG) filed, through the Energy Virtual One-Stop Shop (EVOSS) portal, an *Application* dated 08 May 2024, seeking the Commission's approval of its application for authority to develop and own dedicated point-to-point limited facilities to connect the RASLAG IV Solar Power Plant to the Luzon Grid, with prayer for provisional authority and confidential treatment of information.

The pertinent allegations in the said *Application* are hereunder quoted, as follows:

A. Introduction

1. RASLAG is a publicly-listed corporation duly organized and validly existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Robinson Equitable Tower, ADB Avenue cor. Poveda Street, Pasig City¹. It may

¹ A copy of RASLAG's Certificate of Incorporation and By-laws are attached hereto as Annexes "A" to "A-1", respectively.

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be served with orders and other legal processes through the undersigned counsel.

2. RASLAG is engaged in the business of exploration, development or utilization of Renewable Energy (“RE”) resources, actual operation of RE system and facilities and/or the generation of electricity from RE resources².

3. In its Power Development Plan 2020-2040, the Department of Energy (“DOE”) recognizes the growing demand for power in the Philippines. For Luzon Grid, the DOE projects the peak demand to more than triple, from 11,103 MW in 2020 to 36,631 MW in 2040. Given this, and based on its simulations for a high-demand scenario vis-à-vis an aspirational target of 50% renewable energy power generation mix by 2040 (i.e., “RE50-High Demand Scenario”), the DOE projects that a total of 50,136 MW in new build capacities must be added to meet the demand and reserve margin requirements of the grid. Renewable energy’s share in these new build capacities are broken down as follows: 25,579 MW from solar, 3,860 MW from hydro, 7,487 MW from wind; 270 MW from biomass; and 120 MW from geothermal.³

4. To help address the increasing energy demand and in response to the Philippine Government’s call to accelerate the exploration and development of renewable energy resources under Republic Act No. 9513, or the Renewable Energy Act of 2008, RASLAG is developing its fourth project, the 36.646 MWP (26.400 MWac) RASLAG IV Solar Power Plant Project⁴ (“RASLAG IV”).

5. RASLAG IV is situated at Barangay San Pablo, Magalang, Pampanga and it will connect to the existing 69-kV Mexico-Clark Line 1 via tap connection to contribute power to the Luzon Grid. For this purpose, RASLAG plans to construct a 69-kV transmission line spanning 2.1 kilometers, passing through the road networks of Barangay San Nicolas I and Barangay San Nicolas II of Magalang, Pampanga, which includes a dedicated metering/switching station to connect to the existing 69-kV line (the “Connection Asset”), safeguarding the power flow into the grid.

6. Section 9 of Republic Act (“RA”) 9136 or the Electric Power Industry Reform Act (“EPIRA”) of 2001 expressly provides that:

“A generation company may develop and own or operate dedicated point-to-point limited transmission facilities that are consistent with the Transmission Development Plan (“TDP”): *Provided*, That such facilities are required only for the purpose of ajp”

² A copy of RASLAG’s Amended Articles of Incorporation is attached hereto as Annex “B”.

³ A print-out of the relevant section in the Department of Energy’s (“DOE”) Power Development Plan 2020-2040 and the relevant portion of NGCP’s approved Transmission Development Plan (“TDP”) 2023-2040 showing RASLAG IV are attached hereto as Annexes “D” to “D-1”, respectively.

⁴ A copy of the Project Description and Rationale and Alternatives are attached hereto as Annexes “E” and “E-1”, respectively.

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connecting to the transmission system, and are used solely by the generating facility, subject to prior authorization by the ERC: *Provided, further*, That in the event that such assets are required for competitive purposes, ownership of the same shall be transferred to the TRANSCO at a fair market price. *Provided, finally*, That in the case of disagreement on the fair market price, the ERC shall determine the fair market value of the asset.”

B. Allegations in Support of Application

7. On 17 October 2022, RASLAG was granted a Certificate of Registration⁵ by the DOE, with Registration No. SEOC 2022-09-636. This Certificate recognizes RASLAG as a RE developer of RASLAG IV Solar Power Project located in Magalang. Pampanga.

8. Thereafter, the National Grid Corporation of the Philippines (“NGCP”) conducted a System Impact Study (“SIS”) to determine the technical feasibility of the proposed Project and identify the required transmission reinforcements, if any. On 3 October 2023, NGCP forwarded to RASLAG its SIS Final Report⁶ for the Project concluding that the proposed connection of the 36.646 MWp (26.400 MWac) RASLAG IV Solar Power Plant Project to the Luzon Grid through tap connection along NGCP’s Mexico-Clark 69 kV Transmission Line 1 is technically feasible. Moreover, NGCP also recommended for RASLAG to construct a 69 kV switching station at its tapping point to maintain a reliable operation of the proposed solar power plant.

9. RASLAG also prepared a Facilities Study (“FS”) in October 2023 which declares, among others, the technical feasibility of the Project and that the Project’s equipment specifications are in accordance with the 2016 Philippine Grid Code (“PGC”) and the 2022 Open Access Transmission Service (“OATS”) Rules⁷. The FS was approved by the NGCP on 22 December 2023⁸.

10. On 5 May 2023, the Project secured an Environmental Compliance Certificate under ECC No. ECC-OL-R03-2023-0278⁹.

11. On 11 October 2023, the Project secured a Certificate of Endorsement from the DOE under DOE-EPIMB-ERC-P2P No. 2023-10-022¹⁰ certifying that the application filed by RASLAG with 

⁵ A copy of DOE Certificate of Registration No. 2022-09-636 issued to RASLAG Corp, on 17 October 2022 is attached hereto as Annex “F”.

⁶ A copy of the letter from NGCP forwarding the SIS to RASLAG and NGCP’s System Impact Study on the 36.646 MWp (26.400 MWac) RASLAG IV Solar Power Plant Project are attached hereto as Annexes “G” and “G-1”, respectively.

⁷ A copy of the Facilities Study prepared for the RASLAG 4 SOLAR POWER PLANT is attached hereto as Annex “H”.

⁸ A copy of the letter from NGCP approving the FS is attached hereto as Annex “H-1”.

⁹ A copy of the DENR’s Environmental Compliance Certificate No. ECC-OL-R03-2023-0278 is attached hereto as Annex “I”.

¹⁰ A copy of DOE Certificate of Endorsement (DOE-EPIMB-ERC-P2P No. 2023-10-022) is attached hereto as Annex “D-3”.

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the Honorable Commission is consistent with the provisions of Section 9 of the EPIRA.

THE RASLAG IV SOLAR POWER PLANT CONNECTION ASSET POWER PLANT CONNECTION ASSET IS FINANCIALLY FEASIBLE, AND RASLAG HAS THE FINANCIAL CAPABILITY TO DEVELOP THE CONNECTION ASSET

12. The Connection Asset is financially feasible. The cost for constructing and developing the Connection Asset is estimated at ₱163,232,094.47.¹¹ The Project, including the Connection Asset, will be funded through cash.

13. RASLAG's Audited Financial Statements for the Year will show that RASLAG has sufficient funds on hand to undertake the construction and development of the entire Project.¹²

14. Moreover, RASLAG's decision to establish a limited dedicated point-to-point connection for the Project is rooted in practical considerations, primarily the geographical distance between the project site and the nearest feasible tapping point of NGCP.

15. Considering the Project's location, RASLAG identified the most feasible route for the transmission line from the solar plant to the NGCP 69 kV Mexico-Clark Line 1 tapping point. This route spans approximately 2.1 kilometers. On the other hand, constructing interconnection facilities leading to the Mexico substation would necessitate a much longer 69 kV transmission line, extending approximately 19.60 kilometers. This considerable increase in distance would significantly increase expenses for RASLAG. In fact, constructing the longer line would entail costs of approximately ₱98.0 million, excluding right-of-way expenses, compared to the more direct connection to NGCP 69 kV Mexico-Clark Line 1¹³.

16. This decision reflects a strategic balance between optimizing the efficiency of power transmission and managing infrastructure costs. By choosing the limited dedicated point-to-point connection, RASLAG minimizes the length of transmission infrastructure required, thereby reducing both the financial investment and potential energy losses associated with an extended transmission line. It underscores the importance of cost-effectiveness and practicality in the development of energy projects, aligning with the goal of achieving a balance between sustainable energy initiatives and economic viability¹⁴.

¹¹ A copy of the Detailed Cost of the Construction Asset is attached hereto as Annex "J".

¹² A copy of RASLAG's Audited Financial Statements for 2022 is attached hereto as Annex "K".

¹³ The Rationale and Alternatives was previously attached hereto as Annex "E-1".

¹⁴ *Id.*

*THE RASLAG IV SOLAR POWER
PLANT CONNECTION ASSET IS
TECHNICALLY FEASIBLE, AND
RASLAG HAS THE TECHNICAL
CAPABILITY TO DEVELOP THE
CONNECTION ASSET*

17. Both the SIS and the FS will show that the Connection Asset is technically feasible. Likewise, RASLAG has the technical capability to develop and construct the Connection Asset.

*RASLAG SHOULD BE GRANTED
AUTHORITY TO DEVELOP AND
OWN THE CONNECTION ASSET*

18. Pursuant to Section 9 of the EPIRA, RASLAG hereby applies with the Honorable Commission for authority to develop and own the Connection Asset.

16.1 RASLAG's Connection Asset is required only to connect the RASLAG IV Solar Power Plant Project to the Luzon Grid.

16.2 The Connection Asset will be used solely by the RASLAG IV Solar Power Plant Project.

16.3 If the Connection Asset is taken out of the transmission system, it will not affect the Luzon Grid.

19. RASLAG endeavors that the Connection Asset will comply with the existing rules and regulations, particularly the 2016 Philippine Grid Code, and undertakes to comply with all such rules and regulations.¹⁵

**Motion for Provisional Authority and
Allegations in Support of Prayer for
Provisional Authority**

20. Rule 14 of the Honorable Commission's Rules of Practice and Procedure authorizes the issuance of a provisional authority or an interim relief prior to a final decision, provided that the facts and circumstances warrant the issuance of the same.

21. RASLAG expects to complete the construction of the Connection Asset within the second quarter of 2024¹⁶. The Company intends to have the Connection Asset in place and ready for the commissioning of the RASLAG IV Solar Power Plant Project, which is scheduled to happen within the third quarter of 2024.¹⁷ 

¹⁵ An Undertaking to Comply with the 2016 Philippine Grid Code is attached hereto as Annex "L".

¹⁶ A copy of the Accomplishment Report – RASLAG IV 69KV Transmission Line, Accomplishment Report – RASLAG IV Switching Station, and the RASLAG IV Construction Update are attached hereto as Annexes "M" to "M-2".

¹⁷ A copy of the Project Relevant Dates is attached hereto as Annex "N".

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22. Given the urgent need for additional capacity by 2025 and onwards as projected by the DOE, the completion of the RASLAG IV Solar Power Plant Project within the projected time frame is critical to ensure that additional capacity will be available for the Luzon Grid in a timely manner. RASLAG respectfully prays that the Honorable Commission provisionally authorize the development, ownership, and operation of the Connection Asset considering that the power demand projected by the DOE warrants the issuance of a Provisional Authority.

23. It is in such context that RASLAG respectfully prays that a provisional authority be immediately issued for the development and construction of the Connection Asset¹⁸.

OTHER RELATED DOCUMENTS

24. In further support of the instant application, the Applicant most respectfully submits to the Honorable Commission, the following documents:

Annex	Document
A	Certificate of Incorporation of RASLAG
A-1	By-laws of RASLAG
B	Amended Articles of Incorporation of RASLAG
B-1	Secretary's Certificate citing approval of the RASLAG IV Solar Power Plant Project by the RASLAG Board of Directors
C	Latest General Information Sheet of RASLAG
D	Excerpts from the DOE Power Development Plan 2020-2040
D-1	NGCP's Transmission Development Plan 2023-2040
D-2	Excerpt from NGCP Transmission Development Plan 2023-2040
D-3	DOE Certificate of Endorsement (DOE-EPIMB-ERC-P2P No. 2023-10-022)
E	Project Description
E-1	Rationale and Alternatives
F	DOE Certificate of Registration No. SEOC 2022-09-636
G*	Letter from NGCP forwarding the SIS to RASLAG
G-1*	NGCP's System Impact Study on the 36.646 MWp (26.400 MWac) RASLAG IV Solar Power Plant Project
H*	Facilities Study for the RASLAG IV Solar Power Plant Project
H-1*	Letter from NGCP approving the Facilities Study
I	Environmental Compliance Certificate No. ECC-OL-R03-2018-0001
J	Detailed Cost of the Construction Asset
K	Audited Financial Statements of RASLAG for 2022
L	Undertaking to Comply with the 2016 Philippine Grid Code

¹⁸ Affidavit in Support of the Prayer for the Issuance of Provisional Authority is attached hereto as Annex "V".

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Annex	Document
M*	Accomplishment Report – RASLAG IV 69KV Transmission Line
M-1*	Accomplishment Report – RASLAG IV Switching Station
M-2*	RASLAG IV – Construction Update
N	Project Schedule and Relevant Dates
O	RASLAG IV Gantt Chart Schedule
P	Pure & Pam, Inc. – Articles of Incorporation
P-1	Pure & Pam, Inc. – Company Profile for 2023 and 2024
P-2	Pure & Pam, Inc. – Latest General Information Sheet
Q	Actual and Historical Forecast Demand
R	RASLAG-NGCP Connection Agreement for the RASLAG IV Solar Power Plant Project
S	RASLAG Solar Energy Operating Contact No. 2022-09-636
S-1	Amendment to the Registered Capacity
T*	Conceptual Engineering Design and Drawings
U	Affidavit in Support of the Prayer for the Issuance of Provisional Authority
V	NGCP Letter on the Maintenance of RASLAG’s Dedicated Transmission Line

**Subject to motion for confidential treatment of information*

COMPLIANCE WITH PRE-FILING REQUIREMENTS

25. In Compliance with the ERC Rules of Practice and Procedure, the Applicant has furnished the Office of the Mayor and Governor and the legislative bodies of the city and province wherein the place of operation of RASLAG IV is located, a copy of the present Application with all its annexes and accompanying documents. Copies of the Affidavits of Service or the Certifications issued by the Office of the Governor of Pampanga, the Presiding Officer or Secretary of the Sangguniang Panlalawigan of Pampanga, the Office of the Mayor of Magalang, Pampanga, and the Presiding Officer or Secretary of the Sangguniang Bayan of Magalang, Pampanga, or from their duly authorized representatives, attesting to the fact of service of the Application are attached hereto as Annexes “W” to “W-4”, respectively.

26. Likewise, a copy of the present Application with all its annexes and accompanying documents was furnished to the City of Pasig where RASLAG’s principal place of business is located. Copies of the Affidavits of Service or the Certifications issued by the Office of the Mayor of Pasig City and the Presiding Officer or Secretary of the Sangguniang Panlungsod of Pasig City, or from their duly authorized representatives attesting to the fact of service are attached hereto as Annexes “X” to “X-3”, respectively.

27. The Applicant has also caused the publication of the present Application in a newspaper of general circulation within the place of operation of RASLAG. Copies of the corresponding duly notarized Affidavit of Publication and the newspaper publication are attached hereto as Annexes “Y” and “Z”, respectively.

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Motion for Confidential Treatment of Information and Allegations
in Support of the Prayer for Confidential Treatment of Information

28. Applicants respectfully request that the information in the following documents be treated as confidential in nature:

ANNEX	DOCUMENT
G	Letter from NGCP forwarding the SIS to RASLAG
G-1	NGCP's System Impact Study on the 36.646 MWP (26.400 MWac) RASLAG IV Solar Power Plant Project
H	Facilities Study for the RASLAG IV Solar Power Plant Project
H-1	Letter from NGCP approving the Facilities Study
J	Detailed Cost of the Construction Asset
M	Accomplishment Report – RASLAG IV 69KV Transmission Line
M-1	Accomplishment Report – RASLAG IV Switching Station
M-2	RASLAG IV – Construction Update
T	Conceptual Engineering Design and Drawings

29. The Honorable Commission may, upon request of a party and determining that the disclosure of information requested to be treated as confidential information is justified, treat certain information submitted to it as confidential. Applicant is bound by confidentiality agreements prohibiting the disclosure of any business, technical, marketing, operational, organizational, financial or other information and trade secrets and other confidential documents, papers and information, as well as bound by data privacy law and rules as regards confidentiality of personal information of personnel or individuals.

30. Accordingly, by virtue of Section 1 (b), Rule 4 of the ERC Rules of Practice and Procedure, the Applicant respectfully requests before the Honorable Commission that Annexes "G", "G-1", "H", "H-1", "J", "M", "M-1", "M-2", and "T" attached hereto not be disclosed and be treated as confidential. Annexes "G", "G-1", "H", "H-1", "J", "M", "M-1", "M-2", and "T" attached hereto contain confidential information critical to the business operation of the Applicant, including trade secrets and business calculations, assumptions and projections, as well as personal information which may be covered by the Data Privacy Act.

PRAYER

WHEREFORE, the Applicant RASLAG most respectfully prays that this Honorable Commission:

1. Issue an order provisionally authorizing RASLAG to develop and own the Connection Asset for the RASLAG IV Solar Power Plant Project; and

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2. After due notice and hearing, issue a final order making the provisional authority a permanent authority to develop and own Connection Asset; and

3. Issue an Order declaring the documents, and the information therein, duly marked as Annexes "G", "G-1", "H", "H-1", "J", "M", "M-1", "M-2", and "T" as confidential information, within the purview of Rule 4 of the ERC Rules, thereby directing the same to be treated with confidentiality and be protected from public disclosure.

Other reliefs as may be appropriate under the circumstances are likewise prayed for.

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The Commission hereby sets the instant *Application* for hearing for the determination of compliance with the jurisdictional requirements, expository presentation, and Pre-Trial Conference¹⁹ on **22 July 2024 (Monday) at two o'clock in the afternoon (2:00 P.M.)**, through **MS Teams Application** as the online platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020²⁰ and Resolution No. 01, Series of 2021 (ERC Revised Rules of Practice and Procedure).²¹

Any interested stakeholder may submit its comments and/or clarifications **at least (1) calendar day** prior to the scheduled virtual hearing, via electronic mail (e-mail) at docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph. 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 person who has an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at docket@erc.ph, and copy furnishing the Legal Service through legal@erc.ph, a verified Petition to Intervene **at least five (5)** 

¹⁹ In the Commission's *Advisory* dated 26 July 2023, the Commission adopted the Summary Proceedings in accordance with Rule 17 of the Commission's Revised Rules of Practice and Procedure (ERC Revised RPP) in the filing, processing and evaluation of the applications for authority to develop and own or operate dedicated point-point limited transmission facilities, in the following instances: (1) Applications without intervenors, or uncontested applications; and (2) Applications with intervenors, provided all parties have agreed to subject the application to summary proceedings. Under the said summary proceedings and in accordance with Rule 17 of the ERC Revised RPP, the Applicant's presentation of evidence is through the submission and offering of the affidavits of its witnesses and other pieces of evidence within the time allowed by the Commission.

²⁰ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

²¹ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

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calendar days prior to the date of the initial virtual 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 state 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 docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph, their Opposition or Comment **at least five (5) calendar days** prior to the virtual hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. No particular 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 *Application* on the Commission's official website at www.erc.gov.ph.
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Finally, all interested persons may be allowed to join the scheduled virtual hearing by providing the Commission, through legal.virtualhearings@erc.ph, with their respective e-mail addresses and indicating therein the case number of the instant *Application*. The Commission will send the access link to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

WITNESS, the Honorable Commissioners **ALEXIS M. LUMBATAN, CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL** and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 18th day of June 2024 in Pasig City.

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MONALISA C. DIMALANTA
Chairperson and CEO

ERC

Office of the Chairperson and CEO



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