

**TRANSMISSION SERVICE AGREEMENT
BETWEEN NGCP AND [REDACTED]**

This **TRANSMISSION SERVICE AGREEMENT** (hereinafter referred to as the "Agreement") is entered into by and between:

CUSTOMER

By:

REPRESENTATIVE

Position

The **NATIONAL GRID CORPORATION OF THE PHILIPPINES**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at the NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City, duly represented in this Agreement by its Chief Administrative Officer, **ANTHONY L. ALMEDA**, who is duly authorized to represent said Corporation in this Agreement, hereinafter referred to as "NGCP";

- and -

[CUSTOMER COMPANY NAME], a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with its principal office address at **[address]**, duly represented in this Agreement by its **[position of representative]**, **[REPRESENTATIVE]**, who is duly authorized to represent said Corporation in this Agreement, hereinafter referred to as "**[REDACTED]**" or "Transmission Customer";

WITNESSETH:

WHEREAS, under Section 8 of Republic Act No. 9136, otherwise known as *Electric Power Industry Reform Act of 2001* (the "EPIRA"), the National Transmission Corporation ("TRANSCO") was created to assume the power transmission functions of the National Power Corporation ("NPC") and the authority and responsibility of NPC in planning, construction and centralized operation and maintenance of its high-voltage transmission facilities, including grid interconnection and ancillary services;

WHEREAS, on December 13, 2006, the Energy Regulatory Commission (ERC) issued a Decision in ERC Case No. 2006-015RC, approving the Revised Rules, Terms, and Conditions for the Provision of Open Access Transmission Service (the 2006 OATS Rules) which will govern TRANSCO's provision of transmission services to qualified grid users;

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

Signed in the Presence of:

CUSTOMER

By:

REPRESENTATIVE

Position

WHEREAS, in the public bidding conducted by the Power Sector Assets and Liabilities Management (PSALM) Corporation, pursuant to Section 21 of EPIRA, the winning consortium, which was incorporated as the National Grid Corporation of the Philippines (NGCP), was awarded in February 2008 the concession contract to construct, install, finance, manage, improve, expand, operate, maintain, rehabilitate, repair and refurbish the Transmission Assets of TRANSCO;

WHEREAS, on January 15, 2009, by virtue of the congressional franchise granted under Republic Act No. 9511, entitled "An Act Granting the National Grid Corporation of the Philippines A Franchise to Engage in the Business of Conveying or Transmitting Electricity through High Voltage Back-Bone System of Interconnected Transmission Lines, Substations, and Related Facilities, and For other Purpose", NGCP took over TRANSCO's power transmission business;

WHEREAS. the Transmission Customer will own and operate the [REDACTED] MW [REDACTED] Power Plant located in [REDACTED], its associated ancillary and auxiliary equipment and associated transformer(s) (the "Power Plant");

WHEREAS, the Transmission Customer has submitted an application for transmission service and NGCP has determined that the Transmission Customer has complied with all the requirements.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the terms and conditions set forth below, the Parties hereby agree as follows:

1. **Definition of Terms.** For purposes of this Agreement, and unless the express provisions or the context otherwise requires, the capitalized terms used herein shall have the same meaning as defined in the OATS Rules and the Philippine Grid Code, as may be amended from time to time.
2. **Effectivity and Term.**
 - 2.1. **Effectivity.** This Agreement shall take effect on the day when this Agreement and the Related Agreements, as described in Section 8 herein, shall have been executed.
 - 2.2. **Term.** This Agreement shall continue to be in full force and effect until [REDACTED], unless extended or earlier terminated in accordance with this Agreement.

Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

CUSTOMER

By:

REPRESENTATIVE

Position

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NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

3. **Application of the OATS Rules and the Philippine Grid Code.** The performance by the Parties of their respective obligations under this Agreement shall be governed by the OATS Rules and the Philippine Grid Code, and other relevant issuances, orders, rules and regulations which the proper government agencies and authorities may promulgate in the future.
4. **References to the ERC Issuances.** Reference to the OATS Rules, the Grid Code, and all other issuances of the ERC, as used in this Agreement, shall be understood to include all amendments and modifications thereof, as may be issued from time to time.
5. **Force Majeure; Emergency Situations; Liability and Indemnity.** The provisions of Modules A5 (Force Majeure), A6 (Emergency Situations) and A7 (Liability and Indemnity) of the OATS Rules shall apply to this Agreement, such that references to the OATS Rules therein shall be deemed to include this Agreement.

Obligations of the Parties

6. **Obligations of the Parties.** NGCP shall provide the necessary transmission services to Transmission Customer, and Transmission Customer shall pay the applicable charges for such services, in accordance with the OATS Rules and the Schedules, provided that the Transmission Customer shall remain liable for any unpaid amounts charges despite the termination of this Agreement.
7. **Compliance with Rules and Regulations.** The Parties shall comply with the relevant provisions of the OATS Rules, the Ancillary Services-Cost Recovery Mechanism and the Philippine Grid Code, and other relevant issuances, orders, rules and regulations, and their amendments, which the ERC and the proper government agencies and authorities have promulgated and may promulgate from time to time.
8. **Execution of Related Agreements.** The Parties shall enter into a Metering Service Agreement to govern NGCP's provision of metering services to the Transmission Customer and a Connection Agreement to govern the connection between the Transmission Customer's facilities and NGCP's Transmission System.
9. **Schedules.** The following Schedules shall form part of this Agreement:

CUSTOMER

By:

REPRESENTATIVE

Position

Schedule A: OATS Services (attached to this Agreement);
Schedule B: Standard Planning Data;
Schedule C: Detailed Planning Data;
Schedule D: Electrical Diagrams;
Schedule E: Connection Point Drawings;
Schedule F: Asset Boundary Information;
Schedule G: Protection Arrangements and Settings;
Schedule H: Metering Requirements;
Schedule I: Authorized Representatives;
Schedule J: Proposed Maintenance Program;
Schedule K: Test and Commissioning Procedures;
Schedule L: Load Shedding and Curtailment Procedures;
Schedule M: Contingency Actions;
Schedule N: Critical Events List;
Schedule O: Statement of Readiness to Connect; and
Schedule P: Certificate of Approval to Connect.

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NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

- 9.1. NGCP shall, from time to time, inform the Transmission Customer in writing the applicable Relevant Schedules for submission under this Agreement.
- 9.2. NGCP shall provide assistance to the Transmission Customer in the latter's submission of the applicable Relevant Schedules, provided the submission of the required Relevant Schedule shall remain the responsibility of the Transmission Customer. Such assistance, however, shall not constitute NGCP providing, fully or partially, the Relevant Schedules, except for Schedules A, H, and I, whenever applicable. Each Party shall duly acknowledge receipt of the Schedules provided by the Other Party.
- 9.3. For new connection point(s), after the submission of the Schedules, as stated above, and the necessary documents, and the conduct of the necessary engineering-related activities, testing and commissioning, NGCP shall determine whether to approve the connection to Transmission Customer and, if approved, issue Schedule P to Transmission Customer. The Parties agree that Transmission Customer's Connection Facilities shall not be energized and the provision of transmission services shall not commence unless NGCP issues Schedule P to Transmission Customer.

Billing and Payment

CUSTOMER

By:

REPRESENTATIVE

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By:

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Chief Administrative Officer

10. **Billing and Payment.** Module F of the OATS Rules shall govern the billing of Transmission Customer by NGCP and the payment by Transmission Customer of such billings.
11. **Mode of Payment.** In relation to Module F5.1 of the OATS Rules, payment of NGCP's billings shall be made by way of:
- a) Checks:
 - 1) paid through Over-the-Counter (OTC) bills payment facility;
 - 2) paid to NGCP cashier at NGCP's head office;
 - b) On-line funds transfer to NGCP's account;
 - c) Through an Automatic Debit Account (ADA) arrangement; or
 - d) Cash through OTC bills payment facility.

The Parties may apply other modes of payment as may be approved by their respective finance departments.

12. **Check Payments.** In case a check issued in payment is dishonored, the applicable penalty under the OATS rules shall accrue from the Due Date. NGCP shall have the right to refuse subsequent payments made by check.
13. **Application of Payments.** In case Transmission Customer is liable for any amounts due under the OATS Rules and this Agreement, including penalties, NGCP shall have the option of applying any payments received from Transmission Customer to such amounts due, before applying the same to the payment of the current billing.
14. **Designated Commercial Banks.** In accordance with Module F5 and for purposes of determining interest on amounts unpaid after Due Date, including amounts placed in escrow or in any other form placed by reason of a dispute, NGCP shall inform the Transmission Customer in writing of its designated commercial banks. NGCP shall have the right to change its list of designated commercial banks; the Transmission Customer shall be notified in writing of the said change, which shall be effective commencing the billing month following the receipt of the notice.

Dispute Procedures

15. **Procedure for Dispute Resolution.** Pursuant to Module A9 of the OATS Rules, the Parties shall endeavour to amicably resolve the disputes in relation to this Agreement or the OATS Rules. The

resolution of disputes shall be governed by the terms and conditions in **Annex "A"** hereof, which shall form part of this Agreement.

Termination and Suspension of Service

16. **Termination.** This Agreement may be terminated by the Parties in accordance with Module A13 of the OATS Rules. In addition, either Party may terminate this Agreement in case of material breach by the other Party of this Agreement, by giving notice of termination stating the reason for such termination. This Agreement shall be deemed terminated upon receipt of a notice of termination, except as otherwise provided in the OATS Rules. NGCP may include in such notice that instead of terminating this Agreement, it may exercise its right to suspend service, as provided in Section 17 hereof. Termination shall be without prejudice to the fulfilment of the Parties' remaining obligations under this Agreement, if any.
17. **Suspension of Service.** Where NGCP has the right to terminate this Agreement or any of the Related Agreements, it may, at its discretion and as an interim measure, suspend the provision of services to Transmission Customer. NGCP, at its discretion, may resume the provision of services to Transmission Customer, subject to the payment of a reconnection fee to be determined by NGCP. Suspension of service by NGCP shall be without prejudice to its right to terminate this Agreement.
18. **No Liability for Termination or Suspension of Service.** NGCP shall not be liable for damages of any form arising from or related to, directly or indirectly, to the exercise of its rights under this Agreement to suspend service or terminate this Agreement.
19. **Co-Terminus with Related Agreements.** As applicable, this Agreement shall be co-terminus with the Related Agreements, provided that the termination of the Metering Services Agreement shall not cause the termination of this Agreement if Transmission Customer has obtained a different metering service provider.

Notices

20. **Notices.** For communications to be given in relation to this Agreement, Module A12 of the OATS Rules shall apply. Each communication to be made hereunder shall be made in writing and, unless otherwise stated, may be made by letter, delivered in person, by hand, air mail, facsimile or established courier service to the

CUSTOMER

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REPRESENTATIVE

Position

Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

contact details noted below or such other contact details as such Party notifies in writing to the other Party from time to time and which notice shall be effective upon receipt.

20.1. Communications may likewise be sent by email from an email address designated by the sending Party below to an email address designated by the recipient Party below, provided that proof of receipt shall be the email "read receipt" in accordance with Module A12 of the OATS Rules.

NGCP NGCP Building, Quezon Avenue corner BIR Road,
Diliman, Quezon City
Fax No.: (02) 928-1861 / 981-4862
Attention: MS. MA. CYNTHIA Y. MANRIQUE
Email Address: mymanrique@ngcp.ph
Backup Email Address: pddasalla@ngcp.ph

[redacted] [\[address\]](#)
Fax No.: [redacted]
Attention: [redacted]
Email Address: [redacted]
Backup Email Address: [redacted]

Miscellaneous

21. **Good Faith Compliance.** The Parties shall comply with this Agreement in good faith. This Agreement shall continue to govern the rights of the Parties for as long as this Agreement remains effective, except as otherwise provided herein. No Party to this Agreement shall do or attempt to do, either directly or indirectly, that which is prohibited by this Agreement.

22. **Warranty of Corporate Existence and Authority.** Each Party represents and warrants that it is duly organized, validly existing, in good standing and holds the corporate power and authority to enter into, perform and carry out all its respective obligations or exercise its rights under this Agreement, and that it suffers from no legal impediment that prohibits or impairs the performance of its obligations or the exercise of rights under this Agreement. Each Party further represents and warrants that its representatives has full power, authority and legal right to enter into this Agreement and the execution and delivery of this Agreement.

23. **Governing Law.** This Agreement shall be governed by and construed

CUSTOMER
By:

REPRESENTATIVE
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By:

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Chief Administrative Officer

in accordance with the laws of the Republic of the Philippines. This Agreement shall be subject to existing laws, policies, rules and regulations, administrative orders and any amendments and modifications thereof, emanating from the Department of Energy, the ERC, other government agencies or authorized bodies, and shall be deemed incorporated herein.

24. **Non-waiver of Rights.** No failure or delay by any Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by any Party or any breach of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.

25. **Entire Agreement and Amendments.** The OATS Rules as may be amended from time to time, this Agreement, its schedules, attachments and annexes supersede any previous agreement, arrangements or representation between the Parties, whether oral or written, in respect of the subject matter of this Agreement and shall constitute the entire agreement between the Parties in relation thereto. This Agreement may only be amended or modified by a written instrument signed by each of the Parties.

26. **Assignment.** No Party hereto shall be entitled to assign this Agreement or its rights and obligations hereunder, except as expressly provided herein or upon prior written consent of the other Party. Module A11 of the OATS Rules shall apply to the assignment of any rights and obligations hereunder.

27. **Severability.** If at any time, one or more provisions in this Agreement shall be determined to be illegal, invalid or unenforceable in any respect, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby, provided that the remaining provisions are sufficient to render to each Party the benefits contemplated hereby.

28. **Actions.** Any actions, suits or claims arising out of or related to this Agreement that is under the jurisdiction of the Energy Regulatory Commission shall be brought before the said body. The Parties expressly recognize that under Section 43 of Republic Act No. 9136, the ERC has original and exclusive jurisdiction over all cases involving disputes between the Parties, and shall not bring such disputes before any other forum. Any other actions, suits of claims

CUSTOMER

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By:

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Chief Administrative Officer

arising out of or related to this Agreement that are not within the jurisdiction of the ERC shall be filed exclusively in the proper courts of Quezon City, Philippines.

IN WITNESS WHEREOF, the Parties have executed this Agreement this ____ day of _____ 2010 at _____.

**NATIONAL GRID CORPORATION
OF THE PHILIPPINES (NGCP)**

CUSTOMER

By:

By:

ANTHONY L. ALMEDA
Chief Administrative Officer

REPRESENTATIVE
Position

Signed in the Presence of:

FOR VIEWING PURPOSES ONLY

Republic of the Philippines)
Quezon City)S.S.

AKNOWLEDGEMENT

BEFORE ME on the place and date as indicated prior, personally appeared the following presenting their respective government issued identification cards bearing their pictures:

Name	Government ID
ANTHONY L. ALMEDA	Passport No. UU0329701, issued at Manila, Philippines, on December 12, 2006

who represented themselves to be the same persons who executed this instrument and acknowledged the same to be their true and voluntary act and deed.

This instrument, consisting of ___ () pages, including the page on which this acknowledgment is written, has been signed on the left margin of each and every page thereof by the concerned parties and their witnesses, and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my seal and signature.

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2011.

CUSTOMER

By:

REPRESENTATIVE

Position

Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

Schedule A: OATS Services

1. Transmission Customer's Interconnection Details

1.1 Name of Transmission Customer:

[CUSTOMER COMPANY NAME]

1.2 Connection Point/s:

[Connection Point]

1.3 Number and Size of Generating Units:

___ x ___ MW

1.4 Type of Generating Unit:

[REDACTED]

2. Applicable Charges

**AS PROVIDED UNDER THE OATS RULES AND/OR APPLICABLE
ERC ORDERS/ISSUANCES**

3. Transmission Service Specifications

Contracted Transmission Capacity: [REDACTED] kW

Type of Transmission Service: **Non-Firm**

CUSTOMER

By:

REPRESENTATIVE

Position

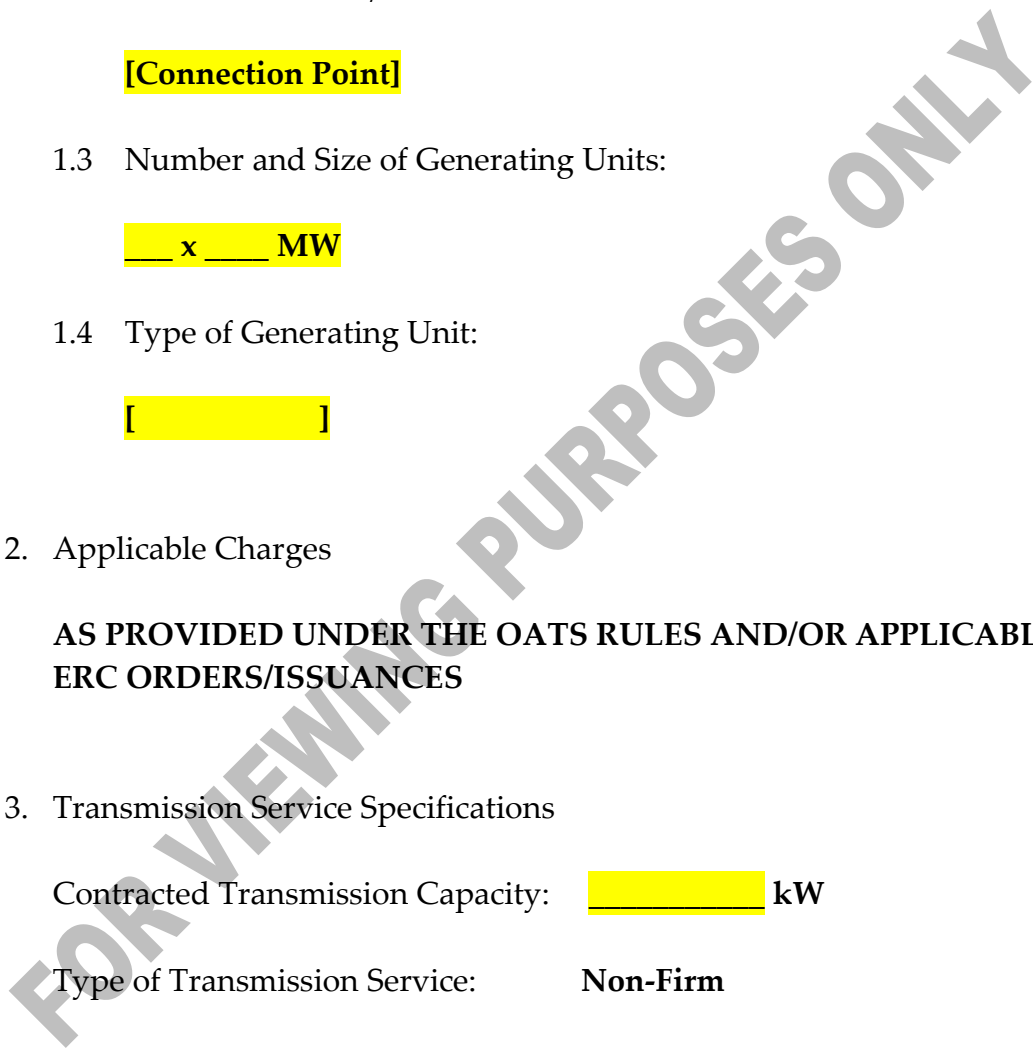
Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer



Annex "A"

DISPUTE PROCEDURES

1. **Dispute Resolution.** In case of any disputes in relation to this Agreement or the OATS Rules, the procedure provided in Module A9 of the OATS Rules shall apply. In accordance with Module A9, the Parties shall seek at the outset to resolve the dispute, in the following manner:

1.1. **Dispute Notice.** The Party claiming or raising the dispute (the "Disputing Party") shall notify the other Party in writing of its claim and shall provide sufficient details thereof ("Dispute Notice").

1.2. **Meeting to Resolve Dispute.** Within ten (10) days from receipt of the Dispute Notice from the Disputing party, the duly designated senior representatives of the Parties shall meet and shall discuss on how to resolve the dispute.

1.3. **Resolution of Dispute or Elevation to ERC.** If the dispute is resolved, the Parties shall execute an agreement embodying the terms and conditions in resolving the same. If the dispute is not resolved within thirty (30) days from receipt of the Dispute Notice or within such other period as may be agreed upon by the Parties, the dispute shall be referred to ERC by either or both Parties for resolution.

2. **Payment Under Protest.** In case of disputes involving the payment of sums of money, the Disputing Party shall pay such disputed amounts in full under protest, without right of offsetting or deduction, on or before the due date of such payment. The same rule shall apply to any amounts that may fall due while the dispute is still pending.

3. **Billing Dispute.** In case of billing disputes, Module F6 of the OATS Rules shall apply, subject to the provisions of this Agreement. To avoid any doubt, the provisions on the OATS Rules on the transmittal of a notice of billing errors shall apply to the Dispute Notice.

4. **Representatives.** For purposes of the dispute resolution process stated-above, the Parties hereby designate their respective representatives, as follows:

CUSTOMER

By:

REPRESENTATIVE

Position

Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

CUSTOMER

By:

REPRESENTATIVE

Position

NGCP

MS. MA. CYNTHIA Y. MANRIQUE
Head, Revenue and Regulatory Affairs

[REPRESENTATIVE]

[Position]

Either Party may designate an alternate or substitute representatives by giving a written notice to the other Party.

Signed in the Presence of:

NATIONAL GRID CORPORATION OF THE PHILIPPINES

By:

ANTHONY L. ALMEDA

Chief Administrative Officer

FOR VIEWING PURPOSES ONLY