

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Exquadra Tower  
Jade Drive, Ortigas Center  
Pasig City

IN THE MATTER OF THE  
APPLICATION FOR APPROVAL  
OF THE ANCILLARY SERVICES  
PROCUREMENT AGREEMENT  
BETWEEN THE NATIONAL GRID  
CORPORATION OF THE  
PHILIPPINES AND SMGP BESS  
POWER INC. (GAMU BESS), WITH  
PRAYER FOR THE ISSUANCE OF  
PROVISIONAL AUTHORITY AND  
MOTION FOR CONFIDENTIAL  
TREATMENT OF INFORMATION

ERC CASE NO. [2026-097 RC](#)

NATIONAL GRID CORPORATION  
OF THE PHILIPPINES AND SMGP  
BESS POWER INC.,

[July 01, 2026](#)

*Applicants*

X ----- X

## APPLICATION

Applicants **NATIONAL GRID CORPORATION OF THE PHILIPPINES (“NGCP”)** and **SMGP BESS POWER INC. (“SBPI”)**, (collectively referred to as the “**Applicants**” or the “**Parties**”), by their respective counsel, respectfully state:

### I. NATURE OF THE CASE

1. This Application is for the approval of the Ancillary Services Procurement Agreement (“**ASPA**” or “**Agreement**”) dated 18 May 2026,<sup>1</sup> entered into by the NGCP and SBPI, pursuant to Department of Energy (“**DOE**”) Department Circular No. (DC) 2021-10-0031 (the “**AS-CSP Circular**”) prescribing the conduct of Ancillary Services Competitive Selection Process (“**AS-CSP**”); in relation to the Ancillary Services – Cost Recovery Mechanism (“**AS-CRM**”) promulgated by the

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<sup>1</sup> A copy of the Ancillary Services Procurement Agreement (ASPA) dated 18 May 2026 is attached as Annex “**A**”

Energy Regulatory Commission (“**ERC**”) in its Decision dated 3 October 2007 in ERC Case No. 2006-049 RC.

## II. THE PARTIES

2. Applicant NGCP is a corporation created and existing under the laws of the Philippines, with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City. It holds a congressional franchise granted under Republic Act No. 9511,<sup>2</sup> and is authorized to engage in the business of conveying or transmitting electricity through high-voltage back-bone systems of interconnected transmission lines, substations and related facilities, and for other purposes. The NGCP is authorized to conduct activities necessary to support the safe and reliable operation of the transmission system.

3. Applicant SBPI is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal place of business at 5<sup>th</sup> Floor, #100 Eulogio Rodriguez Jr. Avenue, C5 Road Bo, Ugong, Pasig City, 1604 Metro Manila, Philippines.

4. SBPI is the owner and operator of a power plant composed of a Battery Energy Storage System (BESS), with a rated capacity of 40MW at 60Hz, including required ancillaries and spare parts, located in Brgy. Lenzon, Gamu, Isabela (the “**Generation Facility**”), which was certified and accredited by the NGCP as capable of providing Regulating Reserve (RR) and Contingency Reserve (CR).

5. NGCP and SBPI may be served with orders, notices, pleadings and other legal processes through their respective counsels at the addresses indicated below.

## III. ANTECEDENT FACTS

### a. Basis of Ancillary Services Procurement

6. Republic Act No. 9136, also known as the Electric Power Industry Reform Act (“**EPIRA**”), provides that it is the responsibility of NGCP to ensure and maintain the reliability, adequacy, security, stability and integrity of the nationwide electrical grid in accordance

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<sup>2</sup> 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 Purposes.

with the performance standards for its operations and maintenance, as set forth in the Philippine Grid Code ("**PGC**"),<sup>3</sup> adopted and promulgated by the ERC, and to adequately serve generation companies, distribution utilities and suppliers requiring transmission service and/or ancillary services ("**AS**" or "**Ancillary Services**")<sup>4</sup> through the transmission system.<sup>5</sup>

7. "Ancillary Services" is defined in Section 4 (b) of the EPIRA as referring *"to those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice and the Grid Code to be adopted in accordance with this Act."* These services are essential in ensuring reliability in the operation of the transmission system and consequently, in the reliability of the electricity supply in the Luzon, Visayas, and Mindanao grids.

8. Similarly, the PGC provides that NGCP is responsible for determining, acquiring, and dispatching the capacity needed to supply the required Grid AS and for developing and proposing Wheeling Charges and AS tariffs of the ERC.<sup>6</sup>

9. To implement and regulate the procurement of AS, the ERC approved the Ancillary Services Procurement Plan ("**ASPP**") through its Order dated 9 March 2006 in ERC Case No. 2002-253 and the Ancillary Services-Cost Recovery Mechanism ("**AS-CRM**") through its Decision dated 3 October 2007 in ERC Case No. 2006-049 RC.

10. The NGCP certified that the unit of SBPI's Generation Facility has met and complied with the Standard Ancillary Services Technical Requirements of the ASPP and are capable of providing Regulating Reserve (RR), and Contingency Reserve (CR).<sup>7</sup>

## **b. Competitive Selection Process**

11. On 04 October 2021, the DOE issued the aforesaid AS-CSP Circular providing the policy for the conduct of a CSP for the procurement of AS by the System Operator (NGCP). Among the

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<sup>3</sup> ERC Resolution No. 22, series of 2016, entitled "A Resolution Approving the Publication of the Approved Philippine Grid Code 2016 Edition". See also Section 9(c), EPIRA.

<sup>4</sup> Section 4(b), EPIRA. "Ancillary Services" refer to those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice and the Grid code to be adopted in accordance with this Act.

<sup>5</sup> Section 9(d), EPIRA.

<sup>6</sup> Chapter 6, Grid Operations ("**GO**"), GO Section 6.3.1.2, PGC.

<sup>7</sup> Copy of NGCP Accreditation Certificate No. 2025-L010 with corresponding test report is attached as **Annex "B"**.

policies set by the AS-CSP Circular was the creation of an independent Third-Party Bids and Awards Committee (TPBAC) to spearhead and manage the CSP.

12. Thus, NGCP sent letter dated 24 June 2024<sup>8</sup> informing DOE of the constitution of the TPBAC for the second AS-CSP. Subsequently, the DOE acknowledged the establishment of such TPBAC in its letter dated 13 August 2024<sup>9</sup>.

13. Likewise, in compliance with the AS-CSP Circular, NGCP submitted its Terms of Reference (TOR) and Instruction to Bidders (ITB) to DOE. In DOE's letter dated 06 February 2026,<sup>10</sup> the DOE approved said TOR<sup>11</sup> and ITB<sup>12</sup>, and instructed NGCP to proceed with the publication and posting of the same pursuant to Section 7.5 of the AS-CSP Circular.

14. On 12 February 2026, the TPBAC approved its Notice of Invitation to Bid<sup>13</sup> informing the public of the pending AS-CSP for RR, CR, DR, RPS and BSS; and inviting all interested grid-connected merchant plants and Independent Power Producers to apply for eligibility and participate in the competitive bidding for the procurement of AS. The Notice of Invitation to Bid likewise provided interested grid-connected merchant plants a copy of the DOE approved TOR and Instruction to Bidders.

15. On 16 February 2026, NGCP posted, in its website<sup>14</sup>, the Notice of Invitation to Bid. The same Notice of Invitation to Bid was likewise published with the *Malaya Business Insight*<sup>15</sup> and the *Philippine Star*<sup>16</sup> on 18 February 2026 and with the *Business Mirror*<sup>17</sup> and the *Manila Bulletin*<sup>18</sup> on 24 February 2026.

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<sup>8</sup> NGCP Letter dated 20 June 2024 informing DOE of the establishment of TPBAC is attached as Annex "C"

<sup>9</sup> DOE Letter dated 13 August 2024 acknowledging the establishment of TPBAC is attached as Annex "C-1"; DOE Letter dated 30 May 2025 instructing NGCP to proceed with the AS-CSP is attached as Annex "C-2"

<sup>10</sup> DOE Letter dated 06 February 2026 approving the Terms of Reference and Instruction to Bidders is attached as Annex "D"

<sup>11</sup> DOE Approved Terms of Reference is attached as Annex "D-1"

<sup>12</sup> DOE Approved Instruction to Bidders is attached as Annex "D-2"

<sup>13</sup> Notice of Invitation to Bid is attached as Annex "D-3"

<sup>14</sup> Other means of publication for the Notice of Invitation to Bid is attached as Annex "E"

<sup>15</sup> The 18 February 2026 edition of the *Malaya Business Insight* where the Notice of Invitation to Bid is attached as Annex "F" and the Affidavit of Publication issued by the *Malaya Business Insight* is likewise attached as Annex "F-1".

<sup>16</sup> The 18 February 2026 edition of the *Philippine Star* where the Notice of Invitation to Bid is attached as Annex "G" and the Affidavit of Publication issued by the *Philippine Star* is likewise attached as Annex "G-1".

<sup>17</sup> The 24 February 2026 edition of the *Business Mirror* where the Notice of Invitation to Bid is attached as Annex "H" and the Affidavit of Publication issued by the *Business Mirror* is likewise attached as Annex "H-1".

<sup>18</sup> The 24 February 2026 edition of the *Manila Bulletin* where the Notice of Invitation to Bid is attached as Annex "I" and the Affidavit of Publication issued by the *Manila Bulletin* is likewise attached as Annex "I-1".

16. On 26 February 2026, in further compliance with the AS-CSP Circular to ensure an open, transparent, and effective conduct of CSP, the TPBAC issued its invitation to Observers including the Honorable Commission and DOE.<sup>19</sup>

17. On 27 February 2026, the TPBAC, through Bid Bulletin No. 2026-01<sup>20</sup>, informed eligible bidders that they may submit their bids on or before 24 March 2026.

18. On 06 March 2026, the Pre-Bid Conference was conducted.<sup>21</sup>

19. Thereafter, SBPI was declared by the TPBAC as eligible to participate in the AS-CSP and submit its bid for the provision of RR.<sup>22</sup>

20. Pursuant to Bid Bulletin No. 2026-01, the TPBAC conducted the opening of bids timely submitted by all the eligible bidders whereby SBPI's bid/offer<sup>23</sup> for the provision of Regulating Reserve of its Generation Facility was considered for award after sufficiently complying with the technical and financial requirements.

21. On 21 April 2026, TPBAC submitted to the NGCP's Board of Directors its Resolution and Evaluation Report on the conduct of the CSP<sup>24</sup> indicating SBPI as one of the winning bidders. The TPBAC's Evaluation Report was thereafter confirmed by the NGCP's Board of Directors.<sup>25</sup>

22. On 27 April 2026, the TPBAC issued a Notice of Award in favor of SBPI<sup>26</sup> informing the latter that it is to be awarded with a contract for the Provision of Ancillary Services in the Luzon Grid. The details of the award are as follows:

| Type of AS to be provided | AS Facility/Unit | Capacity Payment Rate (P/kW/h) | Duration      |
|---------------------------|------------------|--------------------------------|---------------|
| RR                        | GAMU BESS        | 1.45                           | Two (2) years |

<sup>19</sup> Invitation to CSP Observers is attached as Annex "J"

<sup>20</sup> Bid Bulletin No. 2026-01 is attached as Annex "K"

<sup>21</sup> Summary of Pre-Bid Conference is attached as Annex "K-1"

<sup>22</sup> ASP Eligibility Requirements are attached as Annexes "L"

<sup>23</sup> SBPI's bid offer is attached herein as Annexes "M".

<sup>24</sup> TPBAC Resolution and Evaluation Report dated 10 April 2026 indicating SBPI's bid/offer for its Generation Facility as one of the winning bids is attached as Annex "N".

<sup>25</sup> NGCP Secretary's Certificate certifying the BOD's Resolution confirming the TPBAC's Evaluation Report is attached as Annex "O"

<sup>26</sup> Notice of Award in favor of SBPI is attached as Annex "P"

23. On 18 May 2026, NGCP and SBPI executed an ASPA pursuant to the AS-CSP Circular.

**IV. CONTRACTED CAPACITY RATES AND IMPACT SIMULATION**

24. Section 3 of the ASPA states that SBPI shall provide the AS in accordance with Schedule 1 of the ASPA, as follows:

**Contracted Capacities:**

Regulating Reserve (“RR”):

Gamu Battery Energy Storage System (BESS) – ±20 MW

| Period          | Month | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10    | 11    | 12    | 13    | 14    | 15    | 16    | 17    | 18    | 19    | 20    | 21    | 22    | 23    | 24    |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Dec. 26-Jan. 25 | 1     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Jan. 26-Feb. 25 | 2     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Feb. 26-Mar. 25 | 3     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Mar. 26-Apr. 25 | 4     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Apr. 26-May 25  | 5     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| May 26-Jun. 25  | 6     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Jun. 26-Jul. 25 | 7     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Jul. 26-Aug. 25 | 8     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Aug. 26-Sep. 25 | 9     | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Sep. 26-Oct. 25 | 10    | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Oct. 26-Nov. 25 | 11    | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |
| Nov. 26-Dec. 25 | 12    | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 | +/-20 |

25. Schedule 3 of the ASPA provides for the formula for the computation of the Ancillary Service Payment, and the applicable rates for Capacity Payment:

**A. Ancillary Service Payment**

1. For RR, Ancillary Service Payment is the total of the Capacity Payment and the Incidental Energy Payment in B and C below

**Ancillary Service Payment<sub>RR</sub> = Capacity Payment + Incidental Energy Payment**

**B. Applicable Rates for Capacity Payment:**

1. Regulating Reserve: PhP 1.45/kWh

**Formula for Capacity Payment = Scheduled Capacity x Applicable Rate per AS type**

**C. Incidental Energy Payment**

The Cost of Incidental Energy (“IE”) is the cost of actual energy generated for the Firm Scheduled Capacity which shall be paid and computed, on a per 5-minute market interval basis, using the formula below:

**Payment of Cost of Incidental Energy (IE) computed as follows:**

*Incidental Energy Payment*

$$= \{G \times (\text{Energy Fees})\} - (\text{WESM Revenue} - \text{WESM Payment})$$

Where:

- G = BESS RR, sum of the absolute value of the actual energy dispatched and absolute value of the actual energy absorbed due to frequency regulation
- Energy Fees, in Php/kWh = Fuel Cost + Fixed and Variable O&M Cost, in Php/kWh
- Fuel Cost, in Php/kWh = Zero
- Fixed O&M Cost, in Php/kWh = Zero
- Variable O&M Cost, in Php/kWh = Zero
- WESM Revenue = summation of WESM revenue based on prices used in settlement at the generator's trading node, arising from G.
- WESM Payment applicable to BESS only = summation of WESM purchases based on prices used in settlement at the generator's trading node, for generator's feedback power if applicable.

26. In compliance with the ERC document checklist, NGCP submits the following:

- a. Actual AS Data on Required, Scheduled, and Dispatched (MW) for the Grid for the previous year;<sup>27</sup>
- b. Implementing Guidelines of the ASPA;<sup>28</sup>
- c. Detailed Rate Derivation (Price-Cap);<sup>29</sup> and
- d. Rate Impact Report<sup>30</sup>.

27. In support of the allegations herein, NGCP likewise submits a copy of the Judicial Affidavit of Ms. Lisaflor B. Kater,<sup>31</sup> which is attached to this Application.

28. For the SBPI, the below rates represent a reasonable recovery of its opportunity cost in making available generation capacity to provide the procured AS:

| AS Type | Indicative Rate Impact |        |
|---------|------------------------|--------|
|         | P/kW – month           | P/kwh  |
| RR      | 3.9726                 | 0.0075 |

A copy of the Rate Derivation for SBPI is attached to this Application.<sup>32</sup>

29. Consistent with the AS-CRM, all the related and incidental expenses which NGCP will incur as a result of the procurement and

<sup>27</sup> Attached as Annex "Q"

<sup>28</sup> Attached as Annex "R"

<sup>29</sup> Attached as Annex "S"

<sup>30</sup> Attached as Annex "T"

<sup>31</sup> Judicial Affidavit of Ms. Lisaflor B. Kater is attached as Annex "U"

<sup>32</sup> Rate Derivation with excel file and explanation is attached as Annex "V".

operation of the ancillary services shall be recovered from all the load customers in the Luzon Grid.

30. As provided under Section 2.1 of the ASPA, the same shall become effective upon the approval by the ERC, either through a Provisional Authority (PA), or Interim Relief (IR), or final Decision, whichever comes first, unless a different effective date is provided by the ERC in its Order or Decision, and shall remain effective for a period of two (2) years, subject to Section 13 (Termination) of the ASPA.

31. Further, SBPI, as a generation company, falls within the ambit of Section 6 of the EPIRA. Attached are copies of relevant documents proving SBPI’s due registration as a generation company, relevant permits to operate the Generation Facility, audited financial statements, and other documents required by the ERC:

| Document                                                                                                                                                          | Annex |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Articles of Incorporation                                                                                                                                         | “W”   |
| Latest SEC GIS/Proof of Business Registration                                                                                                                     | “X”   |
| Certification issued by ERC on the filing of application for Certificate of Compliance                                                                            | “Y”   |
| Latest Audited Financial Statement                                                                                                                                | “Z”   |
| WESM Registration                                                                                                                                                 | “AA”  |
| Computation of True Cost of Generation (PhP/kW & PhP/kWh)                                                                                                         | “BB”  |
| Summary of computed Consumer Price Index (CPI) indexation for Variable Operation and Maintenance (VOM) Cost, including their computations.                        | “CC”  |
| Written Explanation on Inapplicability of Distribution Wheeling Service (DWS) Agreement and Summary of DWS Charges                                                | “DD”  |
| Single-Line Diagram Connection and Locational Map                                                                                                                 | “EE”  |
| Certificate of Endorsement from the Department of Energy that the Generation Facility is included in the Power Development Plan and Transmission Development Plan | “FF”  |
| Certification on No Existing Power Supply Agreement                                                                                                               | “GG”  |
| Latest GCMR                                                                                                                                                       | “HH”  |

32. While SBPI is a co-applicant, it manifests that the instant Application shall neither modify, diminish nor constitute a waiver of its rights nor expand its obligations and responsibilities as a generation company under EPIRA.

**V. ALLEGATIONS IN SUPPORT OF THE PRAYER FOR  
CONFIDENTIAL TREATMENT OF INFORMATION**

33. Under Rule 4 of the ERC Rules of Practice and Procedure, the ERC, may, upon request of a party and determination of existence of conditions that would warrant such remedy, treat certain information submitted to it as confidential.

34. The Rate Derivation, Computation of True Cost of Generation and the Summary of computed Consumer Price Index for Variable Operation and Maintenance (VOM) Cost, attached to this Application as Annex "V", Annex "BB", and Annex "CC", contain commercially valuable and sensitive information and data that reflect SBPI investments, business operations, calculations, and other trade secrets.

35. SBPI thus respectfully moves that these documents not be disclosed and be treated as confidential documents in accordance with Section 1, Rule 4 of the ERC's Rules of Practice and Procedure. Accordingly, SBPI submits one (1) copy of said documents in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential".

## **VI. ALLEGATIONS IN SUPPORT OF THE PRAYER FOR IMMEDIATE ISSUANCE OF PROVISIONAL AUTHORITY**

36. It is a declared policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power.<sup>33</sup> To this end, there is a need to comply with the system requirements for AS to ensure grid system security and reliability. As mentioned above, NGCP has the mandate to procure the required AS. However, the ERC must first approve the ASPA before the same can be implemented.

37. As the demand for power in Luzon increases, the requirements of the system likewise increase. Ensuring the integrity of the system is essential to protect the interests of the public. The absence of system reliability and stability will certainly discourage investments and growth.

38. Applicants respectfully submit that the immediate approval of the ASPA by this Honorable Commission is a necessity to maintain the present reliability and security of the Grid. In support of our motion for the immediate issuance of a Provisional Authority, NGCP submits the Judicial Affidavit of Ms. Lisaflor B. Kater attached to this Application.

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<sup>33</sup> Section 2(b), EPIRA.

## **PRAYER**

**WHEREFORE**, premises considered, Applicants respectfully pray that the Honorable Commission:

1. Immediately **ISSUE** a Provisional Authority to implement the subject ASPA executed on 18 May 2026;
2. **APPROVE**, after notice and hearing, the subject ASPA; and
3. **ISSUE** an Order treating the Rate Derivation, Computation of True Cost of Generation and the Summary of computed Consumer Price Index for Variable Operation and Maintenance (VOM) Cost as confidential information pursuant to Section 1, Rule 4 of the ERC Rules of Practice and Procedure and prescribing the guidelines for the protection thereof.

Other forms of just and equitable relief are likewise prayed for.

Pasig City and Quezon City for Pasig City, 25 May 2026.

*[Signature pages follow.]*

**NATIONAL GRID CORPORATION OF THE PHILIPPINES**

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Through the:

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By

[Redacted Signature]

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PTR No. 3977997 / 05 January 2026 / Pasig City

IBP Lifetime No. 06372 / Makati Chapter

MCLE Compliance No. VIII – 0032570 valid until 14 April 2028

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PTR No. 3977996 / 05 January 2026 / Pasig City

IBP Lifetime No. 010380 / PPLM Chapter

MCLE Compliance No. VIII - 0029077 valid until 14 April 2028

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PTR No. 3978000 / 05 January 2026 / Pasig City

IBP Invoice No. 536845 / 07 January 2026 /

Central Luzon Bulacan Chapter

MCLE Compliance No. VIII-0016943 valid until 14 April 2028

Roll No. 39024

REPUBLIC OF THE PHILIPPINES )  
 ) S.S.

**VERIFICATION AND CERTIFICATION  
OF NON-FORUM SHOPPING**

I, **MA. CYNTHIA Y. MANRIQUE**, of legal age, Filipino, with office address at National Grid Corporation of the Philippines Head Office, NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City, Philippines, after having been duly sworn to in accordance with law, hereby depose and state that:

1. I am the Vice President and Head of the Revenue and Regulatory Affairs of the National Grid Corporation of the Philippines ("NGCP") and I am duly authorized to sign the Verification and Certification of Non-Forum Shopping in the above-entitled Application for and in behalf of NGCP as evidenced by the Secretary's Certificate hereto attached as **Annex "A-Verification"**;
2. I have caused the preparation of the foregoing Application;
3. I have read the Application and I attest that the allegations in the foregoing Application are true and correct based on my personal knowledge or based on authentic documents;
4. The foregoing Application is not filed to harass, cause unnecessary delay, or needlessly increase cost of litigation;
5. The factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
6. NGCP has not filed any other similar Application or action, involving the subject matter of this Application before any court, tribunal or quasi-judicial agency and, to the best of my knowledge, no such other Application or action is pending therein; and
7. If I should thereafter learn that such similar Application, action or claim has been filed or is pending, I shall report that fact to this Honorable Court within five (5) calendar days therefrom.

**IN WITNESS WHEREOF**, I have hereunto affixed my signature this 25 May 2026, in Quezon City, Philippines.

**MA. CYNTHIA Y. MANRIQUE**  
Affiant

**SUBSCRIBED AND SWORN** to before me this 25 May 2026, Affiant exhibited to me her LTO Driver's License No. X-01-91014806.

Doc No. 369;  
Page No. 75;  
Book No. 44;  
Series of 2026.

**Atty. RICO R. GAGARA**  
Notary Public - Appointment No. 076  
Commission until 31 December 2027  
PTR No. 8308183; 01-05-2026; Quezon City  
IBP Lifetime No. 08600; Bulacan  
Roll of Attorney's No. 53664; 27 April 2007  
MCLE Compliance VIII-0011770, valid until 14 April 2028  
J. Rosa Condominium, 44 Matintiman Street  
Teacher's Village East, Diliman, Quezon City

ANNEX “ A ”  
**VERIFIKATION**



REPUBLIC OF THE PHILIPPINES)  
CITY OF QUEZON ) S.S.

**SECRETARY'S CERTIFICATE**

I, **KAREN S. ONG**, Filipino, of legal age, and with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City, after being duly sworn in accordance with law, depose and state:

1. I am the Corporate Secretary of **NATIONAL GRID CORPORATION OF THE PHILIPPINES**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at NGCP Building, Quezon Avenue corner BIR Road, Diliman, Quezon City;

2. The Board of Directors unanimously approved and adopted the following resolutions:

**“RESOLVED**, that the Corporation approves and authorizes the filing, with the Energy Regulatory Commission of the Applications for approval of the 2026 Ancillary Services Procurement Agreements between NGCP and the following:

- a. SMGP BESS Power Inc. for Gamu BESS;
- b. SMGP BESS Power Inc. for Lumban BESS;
- c. Panasia Energy, Inc.;
- d. Meridian Power Inc.;
- e. More Power Barge Inc.;
- f. Fort Pilar Energy, Inc.; and
- g. SMGP BESS Power Inc. for Villanueva BESS;

**“RESOLVED, FURTHER**, that the Corporation names, appoints and authorizes its Vice President and Head of Revenue and Regulatory Affairs, **MA. CYNTHIA Y. MANRIQUE**, to be its Attorney-in-Fact to represent the Corporation and cause the preparation and filing of the aforesaid Applications for Approval of Ancillary Services Procurement Agreements, before the Energy Regulatory Commission, with full power and authority to: (a) verify the Applications and allegations therein; (b) execute a certification of non-forum shopping for the Applications; and (c) cause the preparation and filing of motions, pleadings, and other submissions in relation to the Applications and to verify the same;

**“RESOLVED, FURTHER**, that the Corporation names, appoints and authorizes the **OFFICE OF THE GENERAL COUNSEL**, through any of its lawyers, as its Attorneys-in-Fact and Legal Counsel of the Corporation in the Applications to be filed, with full power and authority to act in behalf of the Corporation at any stage related to the proceedings, and with full power and authority to do and perform the following acts and things, viz:

- a. Discuss the possibility of an amicable settlement, negotiate, enter into, conclude, execute, sign, and deliver a compromise agreement as they may deem just and equitable;

- b. Submit the case to arbitration, simplify the issues, amend and/or agree to amendment of the pleadings, obtain stipulations or admissions of facts and of documents to avoid unnecessary proof;
- c. Consider and move for the submission of the case for judgment based on the pleadings or summary judgment or for the dismissal of the action should a valid ground therefor exist;
- d. Consider and/or move for the suspension of the proceedings if the same is advisable or necessary; and
- e. To agree on such matters and do such things as may aid in the prompt disposition of the said action/proceeding/case.

**“RESOLVED, FINALLY**, that the Corporation gives and grants unto the above-named Attorneys-in-Fact/Counsels full power and authority to do any and all acts whatsoever requisite, necessary or proper to be done in and about the premises as fully to all intents and purposes as the Corporation might or could lawfully do, and hereby ratifies and confirms all that Attorneys-in-Fact have done, shall do, or cause to be done in its behalf by virtue hereof.”

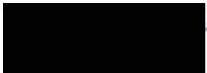
3. The foregoing resolution is in accordance with the records of the Corporation in my possession and has not been amended, superseded or repealed.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 19 MAY 2026 in Quezon City, Metro Manila.

  
**KAREN S. ONG**  
Corporate Secretary

SUBSCRIBED and SWORN to before me, this 19 MAY 2026 in Quezon City, Metro Manila, affiant exhibiting to me her Passport No. P49700018 issued on 28 February 2020 in Manila.

Doc. No. 154  
Page No. 32  
Book No. 18  
Series of 2026

  
**LUISITO A. TRINIDAD**  
Commission AM No. NP-56 (2026-2027)  
Notary for Quezon City until 31 Dec. 2027  
NGCP Quezon Ave cor BIR Road Diliman QC  
Roll No. 38451 - 13 May 1993  
IBP Lifetime 013997- 08 Jan 2015  
PTR 8398525D- 06 Jan 2028  
MCLE VIII-0027983 until April 2028

**VERIFICATION AND  
CERTIFICATION OF NON-FORUM SHOPPING**

I, **ELENITA D. GO**, Filipino, of legal age, and with office address at the 5<sup>th</sup> Floor, 100 Eulogio Rodriguez Jr. Avenue C5 Road (North Bound) Pasig City, after having been duly sworn to in accordance with law, hereby depose and state, that:

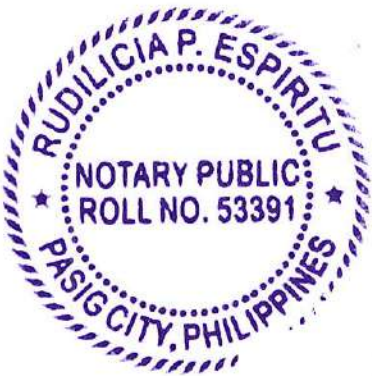
1. I am the duly authorized representative of SMGP BESS Power, Inc. ("SBPI"), as shown in the attached Secretary's Certificate hereof;
2. Pursuant to the authority vested in me, I have caused the preparation and filing of the foregoing Application and that I have read and understood the contents thereof, and aver that all the factual/legal allegations contained therein are true and correct and based on my personal knowledge and/or authentic documents;
3. I attest that the foregoing Application is not being filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation. The factual allegations therein have evidentiary support or, if specifically identified, will have evidentiary support after a reasonable opportunity for discovery; and,
4. I hereby certify that SBPI has not commenced any action/proceeding or filed any claim involving the same issues raised in the Application, whether in the Supreme Court, the Court of Appeals, or any other court, tribunal or quasi-judicial agency, and, to the best of my knowledge, no such other action or claim is pending therein. Should I thereafter learn that the same or similar action/proceeding or claim has been filed or is pending before the Supreme Court, the Court of Appeals, or any other court, tribunal, or quasi-judicial agency, I shall report such fact to the Honorable Energy Regulatory Commission within five (5) days from obtaining knowledge therefrom.

**IN WITNESS WHEREOF**, I have hereunto set my hand this  
      MAY 25 2026       at Pasig City.

  
**ELENITA D. GO**  
*Affiant*

**SUBSCRIBED AND SWORN** to before me this       MAY 25 2026       in  
Pasig City. Affiant personally appeared and exhibited to me her Philippine Passport No.  
P1876103B issued on June 7, 2019 at the DFA NCR East, as her competent proof of identity.

Doc. No.: 251;  
Page No.: 92;  
Book No.: VI;  
Series of 2026.



  
**RUDILICIA P. ESPIRITU**  
Commission No. 274 (2025-2026)  
Notary Public for Pasig City  
Until December 31, 2026  
5th Floor, C5 Office Building Complex  
#100 E Rodriguez Jr. Ave., C5 Road  
Bo. Ugong, Pasig City 1604, Metro Manila  
Roll No. 53391  
PTR No. 3977998; January 5, 2026 / Pasig City  
IBP Life Member Roll No. 13322 / Camarines Sur Chapter  
MCLE Compliance No. VIII-0019485; Valid until April 14, 2028

REPUBLIC OF THE PHILIPPINES )  
PASIG CITY ) S.S.

### **SECRETARY'S CERTIFICATE**

I, **BEATRIZ IRINA DENISE C. ALAZAS**, of legal age, married, Filipino, with office address at the 5<sup>th</sup> Floor, C5 Office Building Complex, #100 E. Rodriguez Jr. Ave., C5 Road, Bo. Ugong, Pasig City 1604, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the Assistant Corporate Secretary of **SMGP BESS POWER INC.** (the "Corporation"), a corporation duly organized and registered in accordance with the laws of the Republic of the Philippines with the principal address at the 5<sup>th</sup> Floor, #100 Eulogio Rodriguez Jr. Avenue, C5 Road, Bo. Ugong, Pasig City 1604, Metro Manila.

2. As Assistant Corporate Secretary of said Corporation, I have under my supervision and control the Minutes Book wherein all the minutes of the meetings of the Board of Directors are recorded.

3. At the Organizational Meeting of the Board of Directors held on **7 April 2026**, at which meeting a quorum was present and acting throughout for the valid transaction of business, the Board of Directors passed and approved the following resolutions:

xxx

#### **IX. AUTHORITY TO APPOINT AND DESIGNATE REPRESENTATIVE TO PROSECUTE, DEFEND, ARBITRATE, SETTLE AND/OR COLLECT**

"**RESOLVED**, that any one Group A, B, C or F signatory be, as they hereby are, authorized and empowered to represent, act, negotiate, sign, conclude and deliver for and in the name of the Corporation for the application, prosecution, defense, arbitration, conciliation, execution, collection, compromise or settlement of:

- a) Any and all claims or suits for or against the Corporation, including, but without in any manner restricting or limiting to, the acceptance of pledges, real estate or chattel mortgages, bonds or any forms of undertaking as collateral security for the payment of obligations to the Corporation, extension of credit; or any and all claims or suits for or against the Corporation arising from, or in connection with, any disputes involving any and all contracts, deeds or acts of whatever kind and nature where the Corporation is a party directly or indirectly and all disputes involving all acts and products of the Corporation;

xxx

"**RESOLVED, FURTHER**, that any one Group A, B, C or F signatory be, as they are hereby, authorized to do and perform on behalf of the Corporation, whatever act such signatory may deem necessary, including, but not limited to, causing the preparation and filing of pleadings, such as, but not limited to, complaints, petitions, appeals, motions and other papers, verifying the same and the allegations therein, executing affidavits or sworn statements, giving testimonies, and making certifications against forum shopping in the cases (a), (b), (c), (d) and (e) mentioned above;

"**RESOLVED, FURTHER**, that any one Group A, B, C or F signatory be, as they are hereby, authorized and empowered to engage the services of, and designate and appoint as representatives, agents, or attorneys-in-fact of the Corporation, any individual, party, entity or firm for the application, prosecution,

defense, arbitration, conciliation, execution, collection, compromise or settlement of (a), (b), (c), (d) and (e) mentioned above;

**“RESOLVED, FINALLY,** that in connection with the foregoing powers and authority, the aforementioned authorized signatories of the Corporation be, as they are hereby, authorized to assign the enforcement of any of the causes of action or defense of the Corporation in favor of a trustee or plaintiff for collection or defense, and to designate, in writing, such lawyers or law firms to appear, act for, or otherwise represent the Corporation in all judicial, quasi-judicial, administrative or arbitration board hearings, incidents and other proceedings, including, but without in any manner restricting or limiting to, all pre-trial conferences and to do any and all of the following acts and deeds:

- a) To negotiate, conclude, enter into and execute a compromise or amicable settlement of the case or dispute;
- b) To agree on the simplification of the issues;
- c) To amend the pleadings;
- d) To agree to stipulations or obtain admissions of facts and of documents to avoid unnecessary proofs;
- e) To limit the number of witnesses;
- f) To undertake a preliminary reference of issues to a commissioner;
- g) To explore and/or consider alternatives modes of dispute resolution, such as but not limited to mediation proceedings; and
- h) To do and agree on such other matters as may aid the prompt disposition of the case or dispute.”

xxx

**XXIII. DESIGNATION OF OFFICERS AND  
PERSONS WITH SIGNING AUTHORITIES**

**“RESOLVED,** that for purposes of the implementation of the foregoing resolutions, the following officers and persons are hereby appointed as signatories under the Group appearing before their names:

| <u>GROUP</u> | <u>NAME</u>                                                                                                                                                              |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A            | xxx<br>Elenita D. Go<br>xxx                                                                                                                                              |
| xxx          | xxx                                                                                                                                                                      |
| F            | xxx<br>Avelino G. Cedo III<br>Jupiter M. Cabaguio<br>Julieta B. Estamo<br>Julie Ann B. Domino-Pablo<br>Beatriz Irina Denise C. Alazas<br>Marilen S. Vizco-Adriano<br>xxx |
| xxx          | xxx                                                                                                                                                                      |

**"RESOLVED, FINALLY**, that these resolutions cancel and supersede, as they hereby cancel and supersede, all previous resolutions."

4. The foregoing resolutions cover the authority of Ms. Elenita D. Go, Group A signatory of the Corporation, respectively, (a) to cause the preparation and filing of the Joint Application for the approval of the Ancillary Power Services Agreement between the Corporation and National Grid Corporation of the Philippines ("**NGCP**"), including the inclusion, if necessary, of any application for ancillary relief as well as the submission of affidavits, and the giving of testimonies (the "**NGCP ASPA Joint Application**"); (b) verify the NGCP ASPA Joint Application and the allegations therein; (c) execute a certification against forum shopping or of non-forum shopping for the NGCP ASPA Joint Application; and (d) to do and agree on such other matters as may aid in the prompt disposition of the NGCP ASPA Joint Application.

5. The foregoing resolutions also cover the authority of any of AVELINO G. CEDO III, JUPITER M. CABAGUIO, JULIETA B. ESTAMO, JULIE ANN B. DOMINO-PABLO, BEATRIZ IRINA DENISE C. ALAZAS, and MARILEN S. VIZCO-ADRIANO, all Group F signatories of the Corporation, to be its true and lawful attorneys-in-fact, to represent the Corporation in connection with the NGCP ASPA Joint Application before the Energy Regulatory Commission.

6. The foregoing resolutions have not been revoked, amended, or in any manner modified. Accordingly, the same may be relied upon until written notice to the contrary is issued by the Corporation.

7. The foregoing matters are in accordance with the records of the Corporation.

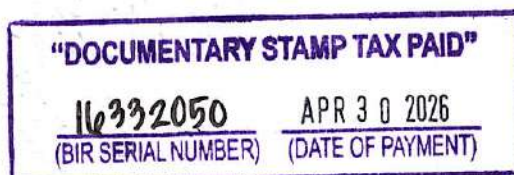
8. I am executing this Secretary's Certificate to attest to the truth of the foregoing and for all legal intents and purposes, hereby waiving my right to receive a duplicate original electronic copy of this Secretary's Certificate, as allowed under Rule VI Section 7 of the 2004 Rules on Notarial Practice, as amended by A.M. No. 02-8-13-SC, and thereby waiving any objections to the completeness of the reproduction of this Secretary's Certificate.

**IN WITNESS WHEREOF**, I have hereunto signed these presents on APR 30 2026 at Pasig City.

  
**BEATRIZ IRINA DENISE C. ALAZAS**  
Assistant Corporate Secretary

**SUBSCRIBED AND SWORN** to before me on APR 30 2026 at Pasig City, affiant exhibited to me her Postal ID No. PRN-N55250379336 P issued by the Philippine Postal Corporation with validity until 07 August 2028, with the said affiant waiving the right to receive a duplicate original electronic copy of this Certification.

Doc No.: 204;  
Page No.: 42;  
Book No.: VI;  
Series of 2026.



  
**RUDILICIA P. ESPIRITU**  
Commission No. 274 (2025-2026)  
Notary Public for Pasig City  
Until December 31, 2026  
5th Floor, C5 Office Building Complex,  
#100 E Rodriguez Jr. Ave., C5 Road,  
Bo. Ugong, Pasig City 1604, Metro Manila  
Roll No. 53391  
PTR No. 3977998; January 5, 2026 / Pasig City  
IBP LHA Member Roll No. 13322 / Camarines Sur Chapter  
MCLE Compliance No. VIII-0019488; Valid until April 14, 2026