

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

IN THE MATTER OF THE APPLICATION FOR
AUTHORITY TO DEVELOP, OWN, OPERATE
AND MAINTAIN DEDICATED POINT-TO-
POINT LIMITED TRANSMISSION FACILITIES
TO CONNECT THE CARMEN BATTERY
ENERGY STORAGE SYSTEM TO THE VISAYAS
GRID THROUGH THE NGCP'S 34.5KV
TOLEDO SUBSTATION WITH PRAYER FOR
PROVISIONAL AUTHORITY AND PROTECTIVE
ORDER FOR CONFIDENTIAL TREATMENT OF
INFORMATION,

RECEIVED BY: [Signature]

26 MAR -4 11:00



ERC CASE NO. 2026-013_MC

TOLEDO ENERGY DEVELOPMENT
CORPORATION,

March 03, 2026

Applicant.

X-----X

APPLICATION



Applicant TOLEDO ENERGY DEVELOPMENT CORPORATION
("TEDC"), by undersigned counsel, most respectfully states that:

1. TEDC is a corporation duly organized and existing by virtue of and under the laws of the Republic of the Philippines, with principal office address at Tower 1, Rockwell Business Center, Ortigas Avenue, Pasig City, having been incorporated on 28 December 2012 under its then corporate name, *Mindanao Energy Development Corporation*. Its corporate name was later amended to its present name upon the approval of the Securities and Exchange Commission on 18 July 2025.¹

2. TEDC may be served with orders, notices, and other processes of this Honorable Commission through its undersigned counsel.

¹ Copies of TEDC's original Certificate of Registration bearing its former name, latest amended Articles of Incorporation, latest amended By-Laws, and latest General Information Sheet under its present name are attached hereto and made integral parts hereof as Annexes "A," "B," "C," and "D," respectively.

NATURE OF THE APPLICATION

3. This Application is submitted to this Honorable Commission pursuant to **Section 9 of Republic Act No. 9136**, otherwise known as the *Electric Power Industry Reform Act of 2001*, for its consideration and approval of TEDC's development, ownership, operation and maintenance of dedicated point-to-point limited transmission facilities to connect the **Carmen Battery Energy Storage System** (the "**Project**" or the "**Facility**") located at Brgy. Don Andres Soriano, Toledo City, Province of Cebu to the Visayas Grid through the National Grid Corporation of the Philippines' ("**NGCP**") 34.5kV Toledo Substation ("**NGCP Toledo Substation**").² The Facility shall utilize and tap through an existing connection line that previously served as the direct connection of the decommissioned 10 MW Carmen Diesel Power Plant Generating Unit 4 ("**CDPP DG4**")³ belonging to its affiliate power generation company, Toledo Power Co., to the NGCP Toledo Substation.

4. For this purpose, TEDC shall construct an approximately **105 meters** of underground transmission line from the Facility to establish a tap connection to the existing connection line of the decommissioned CDPP DG4, which, on the other hand, spans with a length of 140 meters going to the NGCP Toledo Substation.

5. For the full appreciation of the Honorable Commission, the facility of the decommissioned CDPP DG4 together with its related equipment and existing connection line were installed and constructed prior to 17 May 1988 and have been commercially operating since 1993 as per the Honorable Commission's records. With the disclosed decommissioning of CDPP DG4, the former's existing connection line will now be tapped for the Project's requirements for direct connection to the Visayas Grid through the NGCP Toledo Substation.

STATEMENT OF FACTS

6. Due to the urgency of providing additional Ancillary Services ("**AS**") as required in the Visayas Grid, the Management of Applicant TEDC envisioned that the Project will aid the NGCP in its mandate in maintaining stability and reliability of the Visayas Grid by providing frequency control AS,

² A copy of the Secretary's Certificate authorizing the filing of the instant Application and appointing TEDC's authorized representatives for purposes of the instant Application is attached and made an integral part hereof as **Annex "E."**

³ A copy of the Department of Energy's **Letter of Confirmation to Decommission** the CDPP DG4 dated 27 October 2025 is attached herein as **Annex "X."**

particularly for the need for Regulating Reserves. If there is not enough frequency control AS providers, the Grid may become unstable resulting in electricity not reaching the intended end-users. In this regard, the TEDC Management decided to proceed with the development of the Project.

7. Having proven sufficient capital infusion and work progress for the Project, the Department of Energy (“**DOE**”) converted TEDC’s Project status from “Indicative” to “Committed,” as stated in their email advisory dated 19 January 2026.⁴

8. Due to project schedule and timing considerations, the NGCP was not able to include the Project in the latest Transmission Development Plan (“**TDP**”). Despite this, the NGCP has committed that the Project will be included in the next issue of the TDP that will be released.⁵

9. Pursuant thereto, TEDC has targeted to undergo testing and commissioning for the Project starting on or about mid-March 2026.

10. In order to test, commission, and dispatch energy from the Project, TEDC shall develop and construct the dedicated point-to-point limited transmission facilities which comprise of the: **(a) Medium Voltage (MV) Switchgear and related equipment, and the (b) 105 meters underground transmission line** that will tap into the existing 140 meters connection line of the CDPP DG4 which is directly connected to the NGCP Toledo Substation (*collectively, the “Dedicated Transmission Facilities”*).

11. TEDC considered three (3) possible options or alternatives for the Dedicated Transmission Facilities:

Option 1: Build an approximately 105 meters of dedicated transmission line and tap along the existing connection line (approximately 140 meters) of the decommissioned CDPP DG4 to connect the Project to the Visayas Grid through the NGCP Toledo Substation;

Option 2: Connect directly to the NGCP Toledo Substation without utilizing the existing connection point of the decommissioned CDPP DG4; or

Option 3: Connect to NGCP’s Toledo 138kV Substation, which is adjacent to the abovementioned NGCP Toledo Substation.

⁴ A copy of the DOE’s email advisory is included as an attachment to Applicant TEDC’s Write Up hereto and made integral part hereof as **Annex “F.”**

⁵ A copy of the NGCP’s commitment for the Project’s inclusion in the next TDP is included as an attachment to Applicant TEDC’s Write Up marked as **Annex “F.”**

12. After a review of its options, TEDC has determined that Option 1 is the most time and cost-effective, feasible, and technically viable option for the immediate interconnection of the Project and such was approved by TEDC's Board of Directors.⁶

13. The NGCP conducted a **System Impact Study ("SIS")** and determined that the connection of the Project to the Visayas Grid can be accommodated.⁷

14. NGCP likewise conducted the **Interconnection Facilities Study** for the Facility to ensure that the equipment to be installed will satisfy the recommendation in the SIS, and that the Dedicated Transmission Facilities complies with the Philippine Grid Code.⁸

15. In light of the foregoing, TEDC respectfully seeks approval from the Honorable Commission to construct, own, operate and maintain the Dedicated Transmission Facilities to connect the Facility to the Visayas Grid.

16. Once completed, the operation, service and maintenance of the Dedicated Transmission Facilities will be undertaken by TEDC.

17. In further support of this Application, TEDC respectfully submits the following documents:

Annex	Documents
I-1	TEDC's Letter dated 27 January 2026 requesting the NGCP for the Project's Change of Technical Parameters
I-2	NGCP Response dated 20 February 2026 to the Request for Change of Technical Parameters ⁹
J	Project Rationale
K	Project Description
L	Single Line Diagram
M*	CONFIDENTIAL: Conceptual Engineering Design and

⁶ A copy of the Options/Alternatives Considered for the Dedicated Transmission Facilities of the Project is attached as Annex "G" and made an integral part hereof.

⁷ A copy of the SIS is attached hereto and made integral part hereof as Annex "H" (Subject of a Motion for Confidential Treatment of Information).

⁸ A copy of the NGCP Interconnection Facilities Study is hereto attached and made integral parts hereof as Annex "I" (Subject of a Motion for Confidential Treatment of Information).

⁹ In response to TEDC's Letter dated 27 January 2026 requesting for Changes of Technical Parameters, the NGCP advised that the foregoing request **does not entail any significant impact**, hence, **the approved SIS (ANNEX H) for the Project remains valid**. Furthermore, the NGCP stated that an immediate re-run or conduct of a new SIS is not required at this time.

	Drawings*
N*	CONFIDENTIAL: Project Estimated Costs *
O and O-1	Gantt Chart Schedule and Relevant Dates
P	Name and Company Profile of the Contractor for the Construction of the Project's Dedicated Transmission Facilities
Q	Actual Historical and Forecasted Demand-Supply Scenario
R	NGCP Certification with respect to the execution of the Connection Agreement
S	Sworn Statement that TEDC has filed or shall file an application for a permit/license/or certificate from concerned government agency
T	Key Management Officials of TEDC
U	Proof of technical capability to operate List of technical personnel who will conduct Operations and Maintenance and their qualifications
V and V-1	Affidavit of Compliance and Compliance Plan with the Philippine Grid Code
W	Consolidated Explanation on the Non-Applicability of Certain Documentary Requirements

** Subject of a Motion for Confidential Treatment of Information*

ALLEGATIONS IN SUPPORT OF PRAYER FOR PROVISIONAL AUTHORITY

18. Through its Department Circular No. DC2023-04-0008, the DOE recognizes the application and benefits of energy storage systems (“**ESS**”) as an emerging technology in the improvement of the electric power system in accordance with the objective of ensuring the quality, reliability, security, sustainability, and affordability of the supply of electric power, and accelerating the exploration, development, and utilization of Renewable Energy resources.¹⁰ Moreover, the foregoing DOE Circular allows ESS proponents to support the transmission capacity and energy that are essential in maintaining power quality and the reliability of the Grid, among others.¹¹

19. Furthermore, based on the DOE’s outlook in its Power

¹⁰ Entitled “Prescribing the Policy for Energy Storage System in the Electric Power Industry” dated 20 April 2023.

¹¹ Section 4.1 of the DOE Department Circular No. DC2023-04-0008.

Development Plan for 2023-2050,¹² Installed Capacity in the Visayas has to increase by about twelve times from 3,971 MW in 2022 to 47,450 MW in order to meet the demand in 2050. Battery Energy Storage Systems, in particular, has to increase by an additional 634 MW to provide support and maintain stability in the Visayas Grid.

20. It is in support of the above DOE policy and circumstances of the Visayas Grid that TEDC was established to develop the Project to provide much needed AS as necessary to contribute in the support and stability of the Visayas Grid. In undertaking to develop, construct, own, operate, and maintain the proposed Dedicated Transmission Facilities, TEDC will be able to provide much needed AS from the energy stored by the Project and consequently discharged to the Grid.

21. With the Project’s status having been confirmed by the DOE as under *Committed Status*,¹³ the immediate construction and consequent approval by the Honorable Commission is imperative in order to meet the requirements of the Visayas Grid for AS as immediately as possible.

22. Considering the foregoing, there is clear and sufficient basis for the issuance of provisional authority pending the issuance of a final decision of this application.

**ALLEGATIONS IN SUPPORT OF PRAYER FOR
TREATMENT OF CONFIDENTIAL INFORMATION**

23. TEDC respectfully requests that the information contained in the following documents be treated as **confidential information** pursuant to Rule 4 of the Honorable Commission’s Resolution No. 1, Series of 2021 or the **“ERC Revised Rules of Practice and Procedure”**:

ANNEXES	CONFIDENTIAL DOCUMENTS
H	System Impact Study
I	Facilities Study
M	Conceptual Engineering Design and Drawings
N	Project Estimated Costs

24. These documents pertain to sensitive information regarding TEDC’s pricing strategies and project cost breakdown, which, if disclosed

¹² Included as Annex “2” of Applicant TEDC’s Annex “Q” of the instant *Application*.

¹³ *Supra* Note 4.

to the public, might adversely affect TEDC's competitiveness. Thus, the information contained in those documents fall within the bounds of proprietary "**trade secrets**" which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

25. The Honorable Supreme Court, in the case of *Air Philippines Corporation vs. Pennswell, Inc.*,¹⁴ had the opportunity to discuss the definition of "trade secrets" and the great extent to which the same are protected under our laws. In other instances, the Supreme Court has held that the confidential nature of trade secrets protects such from disclosure even in the face of the right of inspection given to stockholders¹⁵ or the constitutional right to information.¹⁶ Information which falls within the definition of a trade secret as defined by jurisprudence is clearly information which merits the confidential treatment provided for under Rule 4 of the ERC Revised Rules of Practice and Procedure.

26. The protection of trade secrets is likewise recognized by the Honorable Commission in its Decision in ERC Case No. 2015-111 RC:

"In the case of PNOC RC, the documents sought to be protected from disclosure contains formula and pricing structures used in arriving at their proposed tariff. The prices cited in the documents were components of the proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. In electric power industry [where] prices [are] a major consideration in selecting one's supplier, it is apparent that the assumption used in arriving at one's proposed tariff is considered a competitive leverage by one player against its competitors.

*Thus, the Commission resolved to treat the said documents confidential and may not be publicly disclosed."*¹⁷

27. Furthermore, in an Order dated 18 February 2021 in ERC Case

¹⁴ GR No. 172835, 13 December 2007

¹⁵ *Philpotts vs. Philippine Manufacturing Company*, 40 Phil. 471 (1919).

¹⁶ *Garcia vs. Board of Investments*, G.R. 88637 (1989).

¹⁷ In the Matter of the Application for the Approval of the Power Supply Agreement Between Nueva Ecija II Electric Cooperative, Inc. – Area 2 (NEECO II – Area 2) and PNOC Renewables Corporation (PNOC RC) with Prayer for Provisional Authority, ERC Case No. 2015-111 RC, Decision dated 30 May 2017.

No. 2020-004 MC,¹⁸ the Honorable Commission ruled that the contents of the Distribution Impact Study, Distribution Asset Study, and Cost Analysis have proprietary value and contain valuable and sensitive commercial matters regarding the business operations of the generating company and thus should be treated confidential.

28. In view thereof, TEDC respectfully requests that the documents marked as Annexes “H,” “I,” “M,” and “N” be treated as confidential during the pendency of this Application and any time thereafter, and that these be used solely for the purpose of evaluating this Application. TEDC also respectfully moves for the issuance of a protective order pursuant to Rule 4 of the ERC Revised Rules of Practice and Procedure.

29. Accordingly, one (1) copy of the above-enumerated annexes are placed in a sealed envelope, with the said envelope and each page of the documents and/or information stamped with the word “*Confidential.*”

30. In view of the foregoing, Applicant TEDC most respectfully submits the instant *Application* for the Honorable Commission’s urgent and utmost consideration.

PRAYER

WHEREFORE, premises considered, Applicant TEDC respectfully prays for the Honorable Commission to:

1. Declare the information contained in Annexes “H,” “I,” “M,” and “N” as CONFIDENTIAL INFORMATION and issue a PROTECTIVE ORDER pursuant to Rule 4 of the ERC Revised Rules of Practice and Procedure;

2. Immediately issue an Order granting **PROVISIONAL AUTHORITY** and/or Interim Relief for the implementation of the development, ownership, operation and maintenance of the Dedicated Transmission Facilities by TEDC to connect the Project to the Visayas Grid;

3. In the event that there are no oppositors or intervenors who expressed interest or enter their respective appearances, issue an Order to adopt and conduct Summary Proceedings for the instant proceedings as provided for under Rule 17 of the ERC Revised Rules of Practice and Procedure pursuant to the Honorable Commission’s Resolution No. 16,

¹⁸ Entitled “In the Matter of the Application for Authority to Develop, Own, and Operate Dedicated Point to Point Limited Distribution Facilities, to Connect the 50MW San Miguel Solar Project to the Distribution System of the Manila Electric Company.”

Series of 2025;

4. After due notice and hearing, a Decision be issued approving the Application and making permanent the Provisional Authority and/or Interim Relief, as may be granted by the Honorable Commission, to develop, own, operate and maintain the Dedicated Transmission Facilities.

TEDC likewise prays for other just and equitable reliefs under the premises.


Pasig City, 20 February 2026.

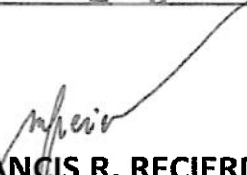
(Signature page follows)

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

VERIFICATION and
CERTIFICATION AGAINST FORUM SHOPPING

I, **FELINO M. BERNARDO**, Filipino, of legal age, with office address at 8th Floor, Rockwell Business Center Tower 1, Ortigas Avenue, Barangay Ugong, Pasig City, after being sworn in accordance with law, hereby depose and say, that:

1. I am the President and Chairman of the Board of Directors, and an authorized representative of **TOLEDO ENERGY DEVELOPMENT CORPORATION** (the "**Corporation**"), the applicant in the instant Application entitled "*IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO DEVELOP, OWN, OPERATE AND MAINTAIN DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO CONNECT THE CARMEN BATTERY ENERGY STORAGE SYSTEM TO THE VISAYAS GRID THROUGH THE NGCP'S 34.5KV TOLEDO SUBSTATION WITH PRAYER FOR PROVISIONAL AUTHORITY AND PROTECTIVE ORDER FOR CONFIDENTIAL TREATMENT OF INFORMATION*" to be filed with the Energy Regulatory Commission (the "**Application**").

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

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

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

5. I certify that I have not commenced any other action involving the same issues in this case with this Honorable Commission, or any tribunal or quasi-judicial agency and to the best of my knowledge, no such action or proceeding is pending in this Honorable Commission or in any other court, tribunal or quasi-judicial agency.

6. Should I hereafter learn that a similar action or proceeding has been filed or is pending before this Honorable Commission or in any other

court, tribunal or quasi-judicial agency, I undertake to promptly inform this Honorable Commission and other tribunal or agency thereof within five (5) calendar days therefrom.

FEB 16 2026 **IN WITNESS WHEREOF**, I have hereunto affixed my signature this _____ at Pasig City, Philippines.


FELINO M. BERNARDO
Affiant

SUBSCRIBED and SWORN to before me this FEB 16 2026 affiant exhibited to me his LTO Driver's License No. N04-86-040258 valid until Sept. 3, 2034.

Doc. No. 394
Page No. 81
Book No. "
Series of 2026.

~~ATTY. ANTONIO B. BETITO~~
~~Notary for Pasig City~~
~~Commission No. 168 (2025 - 2026)~~
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~~Attorney's Roll No. 27614~~
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~~PTR No. 3986451/1/08/26/Pasig City~~
~~VCLE Compliance No. VIII-0037828 April 14, 2028~~

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

VERIFIED DECLARATION

I, **MARK FRANCIS R. RECIERDO**, Legal Counsel of Toledo Energy Development Corporation ("TEDC") hereby declares that:

1. I am duly authorized to undertake the pre-filing and filing process for TEDC's APPLICATION FOR AUTHORITY TO DEVELOP, OWN, OPERATE AND MAINTAIN DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO CONNECT THE CARMEN BATTERY ENERGY STORAGE SYSTEM TO THE VISAYAS GRID THROUGH THE NGCP'S 34.5KV TOLEDO SUBSTATION WITH PRAYER FOR PROVISIONAL AUTHORITY AND PROTECTIVE ORDER FOR CONFIDENTIAL TREATMENT OF INFORMATION; and
2. The documents submitted are complete and true copies of the original documents.


MARK FRANCIS R. RECIERDO
Legal Counsel

SUBSCRIBED AND SWORN TO before me this FEB 19 2026, affiant exhibiting his Integrated Bar of the Philippines ID with Roll of Attorney's No. 62370.

Doc. No. 45;
Page No. 10;
Book No. 11;
Series of 2026.

~~ATTY. ANTONIO B. BETITO~~
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PTR No. 3986451/1/08/26/Pasig City
MCLE Compliance No. VIII-0037828 April 14, 2028

IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO DEVELOP, OWN, OPERATE AND MAINTAIN DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES TO CONNECT THE CARMEN BATTERY ENERGY STORAGE SYSTEM TO THE VISAYAS GRID THROUGH THE NGCP'S 34.5KV TOLEDO SUBSTATION WITH PRAYER FOR PROVISIONAL AUTHORITY AND PROTECTIVE ORDER FOR CONFIDENTIAL TREATMENT OF INFORMATION

ERC Case No. 2026-___ MC

Filing Party: TOLEDO ENERGY DEVELOPMENT CORPORATION

Pleading Filed: APPLICATION FOR AUTHORITY TO DEVELOP, OWN, OPERATE AND MAINTAIN DEDICATED POINT-TO-POINT LIMITED TRANSMISSION FACILITIES

List of Documentary Annexes Subject of Motion for Confidential Treatment of Information

ANNEX	DOCUMENT
H	NGCP System Impact Study
I	NGCP Interconnection Facilities Study
M	Conceptual Engineering Design and Drawings
N	Project Estimated Costs

ERC COPY