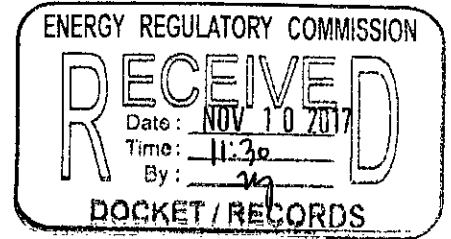


REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
SAN MIGUEL AVENUE, PASIG CITY

IN THE MATTER OF THE APPLICATION
FOR APPROVAL OF ITS
CONTINGENCY AND REGULAR
CAPITAL EXPENDITURE PROGRAM
FOR REGULATORY YEAR (RY) 2018



2017-106

ERC Case No. _____ RC

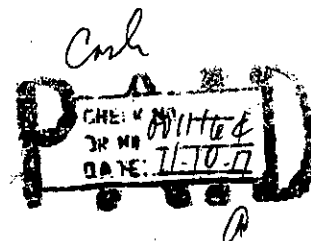
ANGELES ELECTRIC CORP. (AEC),
Applicant.

X-----X

APPLICATION

Applicant ANGELES ELECTRIC CORPORATION (AEC), thru counsel, respectfully states:

1. Applicant AEC is a Distribution Utility (DU) duly organized and existing under Philippine law, with principal office address at Don Juan Nepomuceno corner Doña Teresa Street, Nepo Mart Complex, Angeles City; franchised under Republic Act No. 9381 to distribute electricity in Angeles City, Pampanga; represented herein by its President, Geromin T. Nepomuceno, Jr..
2. AEC belongs to the Fourth Entry Group under the Rules for Setting Distribution Wheeling Rates (RDWR). AEC entered the RDWR during the Second Regulatory Period (2nd RP) from October 1, 2011 to September 30, 2015. Thereafter, AEC was supposed to enter into its 3rd RP from October 1, 2015 to September 30, 2019 but the Commission suspended the implementation of the RDWR. Thus, AEC was prevented from filing its Regulatory Reset Application for the 3rd RP.
3. Ordinarily, AEC's Capital Expenditure (CAPEX) Program is incorporated as part of its Regulatory Reset Application. Considering the suspension of the RDWR, AEC was likewise prevented from filing its CAPEX Program for the 3rd RP.
4. To enable AEC to continue providing a safe, adequate, continuous and reliable service, AEC is applying the following contingency and regular CAPEX program for the Regulatory Year (RY) 2018, to wit:



Contingency Capex

	Project Code	Description	Estimated Cost
A.0	2018RL0100	Rerouting of 69 kV Double Circuit Line affected by a Land Development Project in Brgy. Lagundi, Mexico, Pampanga	11,511,718.41
B.0	2018RL0200	Rerouting of 69 kV and 13.8 kV Lines affected by the DPWH Bridge-Widening Project along Friendship Circumferential Road	4,370,746.72
Sub-Total			15,882,465.13

Network Capex

	Project Code	Description	Estimated Cost
A.1	2018SS0100	Upgrading of 11-13.8 kV Feeder Circuit Breakers at Petersville Substation from 16 kAIC to 31.5 kAIC	38,225,000.00
A.2	2018RC0100	Reconductoring of 13.8 kV Primary Lines	55,786,994.18
Sub-Total			94,011,994.18

Other Network Capex

	Project Code	Description	Estimated Cost
B.1	2018LA0100	Procurement of Poles, Towers and Fixtures	19,731,455.93
B.2	2018LA0200	Procurement of Overhead Conductors and Devices	26,753,442.54
B.3	2018DT0100	Procurement of Pole-Mounted Type Distribution Transformers of Various Capacities to Cater to Load Growth	33,119,772.19
B.4	2018ME0100	Procurement of Kilowatthour Meters and Metering Accessories	12,629,015.37
Sub-Total			92,233,686.03

Non-Network Capex

	Project Code	Description	Estimated Cost
C.1	2018CE0100	Installation of facility-wide coordinated grounding system for the protection of low-voltage and Data infrastructure equipment	3,628,352.00
C.2	2018CE0200	Development of a Network Operating System	1,193,920.00
C.3	2018IT0100	Procurement of Information Technology Equipment	2,296,100.00
C.4	2018TG0100	Procurement of Tools, Shop and Garage Equipment	3,836,980.00
C.5	2018BS0100	Structures and Improvements	4,082,783.74
C.6	2018OE0100	Procurement of Office Furniture and Equipment	713,642.50
Sub-Total			15,751,778.24
Grand Total			217,879,923.57

5. AEC submits the following documents in support of this application:

- I. Performance Assessment
- II. Summary
- III. Forecasts

IV. Contingency CAPEX 2018

A.0. Lagundi Pole Relocation

1. Executive Summary
2. Agreement on Pole Relocation
3. Kehyeng Letter
4. Lagundi (Existing)
5. Lagundi (Proposed)

B.0. Pole Relocation due to Friendship Bridge Widening

6. Executive Summary
7. DPWH Letter – June 2, 2017
8. DPWH Letter – October 10, 2017
9. Brgy. Anunas (Present)
10. BrgyAnunas (Proposed)

V. Network CAPEX 2018

A.1. Petersville Breaker Upgrade

- A.1.1 Single Line Diagrams and Layouts
- A.1.2 Cost Estimate
- A.1.3 Proposed Gantt Chart Schedule
- A.1.4 Result of Fault Level at Substation Area
- A.1.5 Breaker Upgrade Project Formulation
- A.1.6 Fault Analysis and Protection Coordination

A.2. Reconductoring of 13.8kV lines

- A.2.1 Memorandum from Distribution Manager
- A.2.2 Primary Line Power Flow Re-routing Illustrations
- A.2.3 Description of Reconductoring Projects per Job Survey Report
- A.2.4 Job Survey Reports of the Reconductoring Projects
- A.2.5 Sketches of the Reconductoring Projects
- A.2.6 Gantt Chart Schedules
- A.2.7 Project Cost Estimates
- A.2.8 Comparative Cost Estimates
- A.2.9 Project Formulation and Technical Analysis Details

VI. Other Network CAPEX 2018

B.1. Pole, Towers and Fixtures

- B.1.1 Actual Purchases (2016)
- B.1.2 Actual Purchases (2017)
- B.1.3 Estimated Purchase

B.2. Overhead Conductors and Devices

- B.2.1 Actual Purchases (2016)
- B.2.2 Actual Purchases (2017)
- B.2.3 Estimated Purchase

B.3. Distribution Transformers

- B.3.1 Summary of Pole-Mounted Distribution Transformer Requirements for RY 2018
- B.3.2 Detailed Cost Estimates of Distribution Transformers of Various Capacities
- B.3.3 Comparative Winding and Core Losses between Amorphous Metal and Silicon Steel Transformer Cores
- B.3.4 Economic Analysis
- B.4. Kilowatthour Meters
 - Annex B.4.1: Historical Count of kWhr Meters Installed
 - Annex B.4.2: Proposed Purchase of Watt-Hour Meters and Accessories for RY 2018
 - Annex B.4.3: Proposed Gantt Chart Schedule

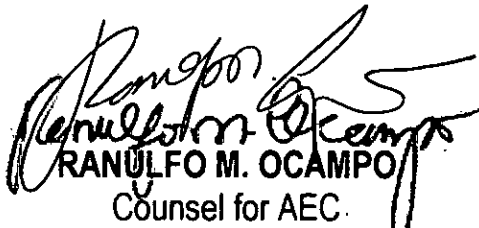
VII. Non-Network CAPEX 2018

- C.1. Grounding System
 - C.1.1 Proposed Project
 - C.1.1 Alternative Project
- C.2. Network Operating System
 - C.2.1 Proposed Project
 - C.2.2 Alternative Project
- C.3. I.T. Equipment
 - Annex C.3.1: Macro Logic Quotation
 - Annex C.3.2: ATI - Microplex Solid F40 Continuous LED Printer
 - Annex C.3.3: MyIntellects Inc.
 - Annex C.3.4: Detailed Cost Estimates
- C.4. Tools, Shop and Garage Equipment
 - Annex C.4.1 Lineman Tools and Equipment for Replacement
- C.5. Structures and Equipment
 - Annex C.5.1 Proposed Repair Works @ Conference Room
 - Annex C.5.2 Proposed Repair Works @ Workers Quarters
 - Annex C.5.3 Proposed Waiting Shed with Comfort Room
- C.6. Office Furniture and Equipment
 - Annex C.6.1 Quotation for Office Furniture

PRAYER

WHEREFORE, AEC respectfully prays that the Honorable Commission authorize and approve AEC's Contingency and Regular CAPEX Program for Regulatory Year (RY)2018.

RESPECTFULLY SUBMITTED this 7th day of November2017 at Pasig City.


RANULFO M. OCAMPO
Counsel for AEC.

PTR No. 6700703 | 16 January 2017 | Marikina City
IBP Lifetime No. 1025756 | 18 January 2016 | RSM
IBP Roll No. 33872 | MCLE Compliance No. V-0018148
7/F STRATA 100 Bldg. | F. Ortigas Jr. Road | Ortigas Center | Pasig City
Phone: 635-6291 | Cell: 0920-938-4470 | Email: ranyocampo@yahoo.com

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, **GEROMIN T. NEPOMUCENO**, of legal age, with office address at Juan Nepomuceno Avenue corner Teresa Avenue, Nepo Mart Complex, Angeles City, depose and state under oath that-

1. I am the President of Angeles Electric Corporation (AEC), and have been authorized by AEC to verify and certify under oath the foregoing AEC application for approval of its Contingency and Regular Capital Expenditure (CAPEX) Program for Regulatory Year (RY) 2018.
2. In behalf of AEC, I caused the preparation of the foregoing application; read and understood the allegations contained therein insofar as AEC is concerned; and all the facts stated therein are true and correct based on my own knowledge and the authentic records of AEC made available to me in the ordinary course of business.
3. AEC has not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other tribunal or agency; that to the best of my knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other tribunal or agency, which involve issues that may somehow be related to this Complaint for consignment of sum due; and that, if I should learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, I undertake to promptly inform this Honorable Commission within five (5) days from receipt of such knowledge of such fact.


GEROMIN T. NEPOMUCENO, JR.
Affiant

SUBSCRIBED AND SWORN to before me this November 7, 2017, affiant exhibited to me his Community Tax Certificate No. 32607354 issued on January 9, 2017-at Angeles City and Passport No.

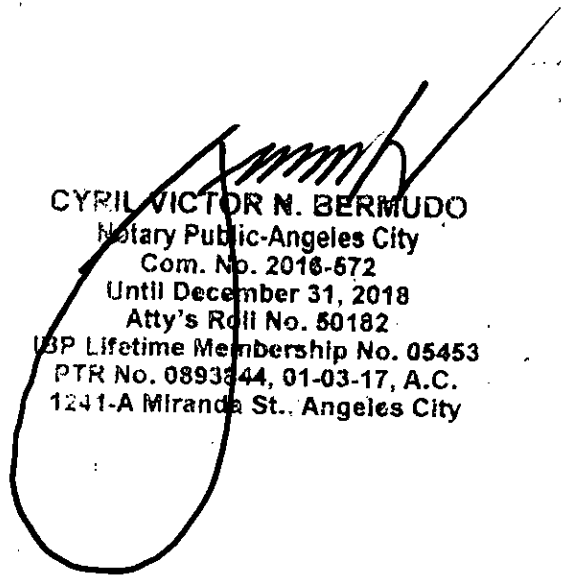
P0731315A, issued at DFA Angeles and valid until October 23, 2021. **By GEROMIN T. NEPOMUCENO JR** that he is the same person who personally signed before me the foregoing Verification and acknowledged that he executed the same.

Doc. No. 2843

Page No. 90

Book No. 1217

Series of 2017


CYRIL VICTOR N. BERMUDO
Notary Public-Angeles City
Com. No. 2016-672
Until December 31, 2018
Atty's Roll No. 50182
IBP Lifetime Membership No. 05453
PTR No. 089344, 01-03-17, A.C.
1241-A Miranda St., Angeles City