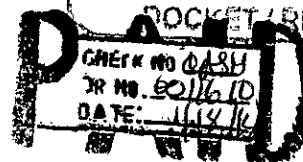
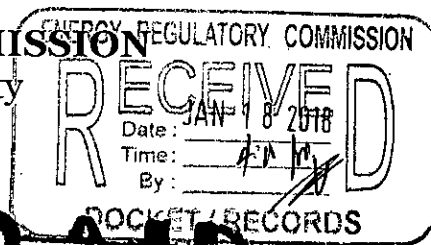


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

ORIGINAL



IN THE MATTER OF THE
APPLICATION FOR APPROVAL OF
EMERGENCY CAPITAL PROJECT
FOR CALENDAR YEAR 2017 WITH
PRAYER FOR PROVISIONAL
AUTHORITY

2018-003 RL

ERC CASE NO. _____

MACTAN ELECTRIC COMPANY,
INC. (MECO),

Applicant.

X-----X

APPLICATION

Applicant MACTAN ELECTRIC COMPANY, INC. (MECO), by counsel, respectfully states:

1. MECO is a corporation duly organized and existing under Philippine laws, with principal address at MECO Building, Sangi Road, Pajo, Lapu-Lapu City. It has franchise and Certificate of Public Convenience and Necessity as a distribution utility to operate the electric light and power distribution service in Lapu-Lapu City and in the Municipality of Cordova.

2. Pursuant to ERC Resolution No. 26, Series of 2009 (Amended Rules for the Approval of Regulated Entities' Capital Projects), MECO files this application for an emergency capital expenditure (CAPEX) project to be implemented this calendar year 2017 in order to rectify an overloaded sub-transmission line.

3. The project affects the NGCP/TRANSCO GIS-Feeder #1, which has a total length of 2.682 km consisting of a 1.457 km of 795 MCM wire size owned by MECO and a 1.225 km of 336 MCM owned by TRANSCO or the National Transmission Corporation. A segment of 336 MCM is overloaded and the project will rectify the said overloaded segment *en route* to the EAUC sub-transmission line in order to avoid further MLD (Manual Load Dropping) instructions from NGCP or the National Grid Corporation of the Philippines.

4. The said overloading and the corresponding MLD instructions cause frequent power service interruptions to the extreme inconvenience and prejudice of consumers which prompted MECO to implement this emergency project pursuant to Resolution No. 26, Series of 2009 or the *Resolution Amending the Rules for Approval of Regulated Entities' Capital Expenditure Projects*.

5. The project has a Cost Estimate of **Php6,627,767.67** to be sourced from MECO's internally generated funds.

6. The project has an Estimated Rate Impact of **Php0.015483/kWh**.

7. Other details of the project appear in **Annex A** hereof, which provide the following information: (a) Project Details; (b) Project Classification; (c) Project Need; (d) Project Cost Estimate (with breakdown); (e) Qualitative Performance Measures; (f) Quantitative Performance Measures; (g) the three options that were considered to address the overloading (with photos); (h) Analysis and Conclusion of the Project; and (i) some of the Demand Control Imminent Warnings issued by NGCP.

8. The project will help MECO provide continuous, reliable, and efficient power supply to its consumers.

9. Pursuant to Rule 20 of the ERC Rules of Practice and Procedure, MECO submits the Judicial Affidavit of Engr. Gilbert A. Pagobo (**Annex B**) in support of its motion for a Provisional Authority to immediately implement the project.

10. The issuance of a Provisional Authority is justified considering the extreme urgency to immediately address the said overloading and frequent power service interruptions.

RELIEF

MECO prays that the Honorable Commission (a) APPROVE the emergency CAPEX project, (b) ISSUE a Provisional Authority to immediately implement the project pending final resolution of this application, (c) GRANT final authority to MECO to implement, construct, own, and operate the project, and (d) GRANT MECO other equitable relief.

Muntinlupa City for Pasig City, December 7, 2017.

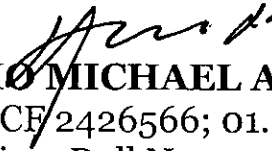
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Roll of Attorneys No. 45304

MCLE Compliance No. V-0023307; valid until 04.14.19



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PTR No. MCF2692178; 08.25.17; Muntinlupa

IBP Lifetime Roll No. 014910; PPLM

Roll of Attorneys No. 65873

MCLE Exempted

(MCLE Governing Board Order No. 1, S. 2008)

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City of Lapu-Lapu
5. OFFICE OF THE MUNICIPAL MAYOR
Municipality of Cordova, Cebu
6. OFFICE OF THE SANGGUNIANG BAYAN
Municipality of Cordova, Cebu

Verification and Certification ...

**VERIFICATION AND CERTIFICATION
AGAINST FORUM SHOPPING**

I, GILBERT A. PAGOBO, of legal age, Filipino, with business address at MECO Building, Sangi Road, Lapu-Lapu City, Cebu, state under oath that:

1. I am the authorized representative of Mactan Electric Company, Inc. (MECO) in this application for approval of emergency capital expenditure project for CY 2017 as shown by the attached Secretary's Certificate. In such capacity, I caused the preparation of this application, the contents of which are true and correct based on my personal knowledge or on authentic records at hand.

2. MECO and I have not commenced any action or filed any claim involving the same issues in the present application in any court, tribunal, or quasi-judicial agency, and to the best of my knowledge, there is no such other action or claim pending therein involving the same issues.

3. If I should later learn that the same or similar action or claim has been filed or is pending, I shall report it to the Energy Regulatory Commission within five (5) days from learning.


GILBERT A. PAGOBO
Affiant

SUBSCRIBED AND SWORN to before me this December 7, 2017, affiant exhibiting to me his Philippine Driver's License with No. 606-92-019177, bearing his photograph and signature.

Doc. No. 209 ;
Page No. 43 ;
Book No. 6 ;
Series of 2017.

