

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



**IN THE MATTER OF THE
APPLICATION FOR APPROVAL
OF REGULATED ENTITIES'
CAPITAL EXPENDITURE
PROJECTS DUE TO FORCE
MAJEURE (TYPHOON GLENDA),**

ERC CASE NO. 2014-151 RC

**FIRST LAGUNA ELECTRIC
COOPERATIVE, INC. (FLECO),
Applicant.**

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DOCK # 1111
Date: AUG 26 2015

ORDER

On October 3, 2014, the First Laguna Electric Cooperative, Inc. (FLECO) filed an application for approval of its regulated entities' capital expenditure projects due to force majeure (Typhoon Glenda).

In the said application, FLECO alleged, among others, the following:

1. It is an electric cooperative duly organized and existing under and by virtue of the laws of the Philippines, with principal office at Barangay Lewin, Lumban, Laguna where it may be served with legal processes. It is represented in this instance by its Officer-In-Charge (OIC), Ms. Belinda A. Lugma, of legal age, Filipino, and with office address at the FLECO Main Office, Barangay Lewin, Lumban, Laguna;
2. It holds an exclusive franchise issued by the National Electrification Administration (NEA) to operate an electric light and power distribution services in the Municipalities of Cavinti, pagsanjan, Lumban, Kalayaan, Paete, Pakil, Pangil, Siniloan, Famy, Mabitac and Sta. Maria, all in the Province of Laguna;

3. On July 15, 2014, Typhoon Glenda hit the Luzon area, including the Province of Laguna. As a consequence, its distribution lines were partially damaged, which caused brownout in the entire coverage area, as shown in the pictures attached to the application as Annex "A" to "A-7";
4. Details of its capital expenditures showed that it had actually incurred, as of the date of the Force Majeure (Typhoon Glenda), the amount of Five Million One Hundred Thirty Thousand Three Hundred Ten and 30/100 Pesos (Php5,130,310.30) evidenced by the materials damaged by Typhoon Glenda attached to the application as Annex "B" to "B-2";
5. For purposes of and in connection with the application, it attached the following documents in compliance with the requirements pertinent thereto:
 - a. Project Description;
 - b. Justification or Benefits to be delivered;
 - c. Estimated Project Costs; and
 - d. Project Schedule.
6. The above projects are consistent with the Distribution Development Plan (DDP), the Philippine Grid Code (PGC), the Philippine Distribution Code (PDC) and other relevant government issuances and in accordance with the Commission's Resolution No. 26, Series of 2009 or "A Resolution Amending the Rules for Approval of Regulated Entities' Capital Expenditure Projects";
7. The source of fund for the aforementioned capital projects was taken from its Reinvestment Fund for Sustainable CAPEX (RFSC);
8. In compliance with the pre-filing requirements, it is submitting the following documents:
 - a. Certification from the Presiding Officer or Secretary of the Legislative Body of the municipality where it principally operates, that a copy of the application, with all its annexes and accompanying documents attesting to the fact that it has furnished the said legislative body (Sangguniang Bayan

ng Lumban) of the aforesaid application. Another certification from the Sangguniang Panlalawigan ng Laguna, duly authorized representatives showing that it had likewise furnished the Legislative Body of Laguna of a copy of this application, with all supporting documents; and

- b. Affidavit of Publication and Newspaper issue containing the published Application in its entirety in a newspaper of general circulation in Laguna;
9. The approval of the capital expenditure projects due to force majeure (Typhoon Glenda) is needed to maintain efficient, reliable and safety delivery of power to its existing and future consumers, and will redound to benefits of the consuming public; and
 10. It prays that after due notice and hearing and consideration, the application be approved.

On February 2, 2015, the Commission issued an Order and a Notice of Public Hearing setting the case for hearing on March 10, 2015.

On March 5, 2015, FLECO filed its "Motion to Reset" praying that the hearing scheduled on March 10, 2015 be reset to another date.

Finding the said motion meritorious, the same is hereby **GRANTED**.

Accordingly, the application is hereby set anew for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on **September 23, 2015 (Wednesday) at ten o'clock in the morning (10:00 A.M.) at the FLECO's Main Office, Barangay Lewin, Lumban, Laguna.**

FLECO is hereby directed to cause the publication of the attached Notice of Public Hearing, at its own expense, twice (2x) for two (2) successive weeks in two (2) newspapers of general circulation in the Philippines, with the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial hearing. It is also directed to inform the consumers within its franchise area, by

any other means available and appropriate, of the filing of the instant application, its reasons therefor, and of the scheduled hearing thereon.

Let copies of the application, this Order and the attached Notice of Public Hearing be furnished the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives at the scheduled hearing.

Likewise, let copies of this Order and the attached Notice of Public Hearing be furnished the Offices of the Governor of Laguna and the Mayors of the Municipalities within the franchise area of FLECO for the appropriate posting thereof on their respective bulletin boards.

FLECO is hereby directed to furnish all those making requests therefor with copies of the application and its attachments, subject to reimbursement of reasonable photocopying costs.

On the date of the initial hearing, FLECO must submit to the Commission its written Compliance with the jurisdictional requirements attaching therewith, methodically arranged and duly marked, the evidences on the actual posting and publication of the Notice of Public Hearing consisting of certifications issued to that effect, signed by the afore-mentioned Governor and Mayors or their duly authorized representatives, bearing the seals of their offices, and the affidavits of the Editors or Business Managers of the newspapers where the said Notice of Public Hearing were published together with the complete issues of the said newspapers, and such other proofs of compliance with the requirements of the Commission.

FLECO and all interested parties are directed to submit, at least five (5) days before the date of initial hearing and pre-trial conference, their respective Pre-trial Briefs containing, among others:

- a) A summary of admitted facts and proposed stipulation of facts;
- b) The issues to be tried or resolved;

- c) The documents or exhibits to be presented, stating the purposes and proposed markings therefore; and
- d) The number and names of the witnesses, with their written testimonies in an individual affidavit form, to be attached to the Pre-trial Brief.

Failure of FLECO to submit the required Pre-trial Brief and Judicial Affidavits of its witnesses within the prescribed period shall be a ground for cancellation of the scheduled hearing, and the resetting of which shall be six (6) months from said date of cancellation.

As part of the pre-trial conference, FLECO must also be prepared to make an expository presentation of its application, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, what the application is all about and the reasons and justifications being cited in support thereof.

SO ORDERED.

Pasig City, August 17, 2015.

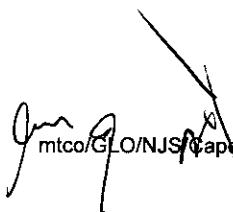
FOR AND BY AUTHORITY
OF THE COMMISSION:

JOSE VICENTE B. SALAZAR
Chairman

ERC
Office of the Chairman



H-2015-025-00048


mtco/GLO/NJS/Capex/2014-151 RC FLECO/resetting order.doc

Copy Furnished:

1. **ATTY. ARNIDO O. INUMERABLE**
Counsel for Applicant FLECO
405 Elisa Street, UE Village, Cainta, Rizal

2. **First Laguna Electric Cooperative, Inc. (FLECO)**
Brgy. Lewin, Lumban, Laguna

3. **The Office of the Solicitor General**
134 Amorsolo Street, Legaspi Village
Makati City, Metro Manila

4. **The Commission on Audit**
Commonwealth Avenue
Quezon City, Metro Manila

5. **The Senate Committee on Energy**
GSIS Bldg., Roxas Blvd., Pasay City
Metro Manila

6. **The House Committee on Energy**
Batasan Hills, Quezon City, Metro Manila

7. **Office of the Provincial Governor**
Province of Laguna

8. **Office of the Municipal Mayor**
Cavinti, Laguna

9. **Office of the Municipal Mayor**
Pagsanjan, Laguna

10. **Office of the Municipal Mayor**
Lumban, Laguna

11. **Office of the Municipal Mayor**
Kalayaan, Laguna

12. **Office of the Municipal Mayor**
Paete, Laguna

- 13. Office of the Municipal Mayor**
Pakil, Laguna

- 14. Office of the Municipal Mayor**
Pangil, Laguna

- 15. Office of the Municipal Mayor**
Siniloan, Laguna

- 16. Office of the Municipal Mayor**
Famy, Laguna

- 17. Office of the Municipal Mayor**
Mabitac, Laguna

- 18. Office of the Municipal Mayor**
Cabugcayan, Laguna

- 19. Office of the President of PCCI**
Philippine Chamber of Commerce and Industry (PCCI)
3rd Floor, Chamber and Industry Plaza (CIP)
1030 Campus Avenue corner Park Avenue
Mckinley Town Center, Fort Bonifacio, Taguig City

- 20. National Grid Corporation of the Philippines (NGCP)**
NGCP Building, Quezon Avenue cor. BIR Road
Diliman, Quezon City, Metro Manila