

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



**IN THE MATTER OF THE
APPLICATION FOR APPROVAL
OF FORCE MAJEURE CAPITAL
PROJECT DUE TO TYPHOON
VINTA**

ERC CASE NO. 2014-031 RC

**CAGAYAN I ELECTRIC
COOPERATIVE, INC.
(CAGELCO I),**

Applicant.

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BOOKETED
Date: JUL 08 2014
By: M

ORDER

On April 1, 2014, the Cagayan I Electric Cooperative, Inc. (CAGELCO I) filed an application for approval of its force majeure capital project due to Typhoon *Vinta*.

In the said application, CAGELCO I alleged, among others, that:

1. It is an electric cooperative duly organized and existing under Philippine law with principal office address at Maddarulug, Solana, Cagayan. It is franchised to construct, own operate, and maintain an electric distribution network in the City of Tuguegarao, and in the Municipalities of Alcala, Amulung, Baggao, Enrile, Iguig, Peñablanca, Piat, Rizal, Solana, Sto. Niño, and Tuao, all in the Province of Cagayan. It is represented by its General Manager, Engr. Tito R. Lingan;

2. On October 31, 2013, Typhoon *Vinta* unleashed its fury on Northern Luzon and inflicted heavy damage to the Province of Cagayan, more particularly to its electric distribution network;
3. It prepared a detailed assessment of the damage sustained by its electric distribution network as contained in its Final Count of Line Damages due to Typhoon *Vinta*. As a consequences thereof, its member-consumers suffered sustained outages resulting from the damaged facilities;
4. It was constrained to undertake immediate repair and restoration works of its damaged facilities to spare its member-consumers from the further prolonged power interruptions, thereby benefiting the member-consumers in terms of reducing the duration of power interruptions;
5. It incurred a total cost of PhP10,408,590.00 for this force majeure capital project due to Typhoon *Vinta*; and
6. It prays that, after due notice and hearing, its application for approval of its force majeure capital expenditure project due to Typhoon *Vinta* be approved.

Finding the said application sufficient in form and in substance with the required fees having been paid, the same is hereby set for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on **August 14, 2014 (Thursday) at two o'clock in the afternoon (2:00 P.M.), at the CAGELCO I's Main Office, Maddarug, Solana, Cagayan.**

CAGELCO I 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 hearings 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 hearings.

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

CAGELCO I 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, CAGELCO I must submit to the Commission its written Compliance with the jurisdictional requirements attaching therewith, methodically arranged and duly marked, the evidences of 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 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.

CAGELCO I 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 thereof 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 CAGELCO I 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, CAGELCO I 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, June 30, 2014.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ZENAIDA G. CRUZ-DUCUT
Chairperson ✓

Copy Furnished:

1. **ATTY. RANULFO M. OCAMPO**
Counsel for CAGELCO I
8TH Floor, STRATA 100 Building, F. Ortigas Jr., Road
Ortigas Center, Pasig City
2. **CAGAYAN I ELECTRIC COOPERATIVE, INC. (CAGELCO I)**
Maddarlug, Solana, Cagayan
3. **The Office of the Solicitor General**
134 Amorsolo Street, Legaspi Village, Makati City
Metro Manila
4. **The Commission on Audit**
Don Mariano Marcos Avenue
Diliman, Quezon City, Metro Manila
5. **The Committee on Energy**
Senate of the Philippines
GSIS Building, Roxas Blvd., Pasay City, Metro Manila
6. **The Committee on Energy**
House of Representatives
Batasan Hills, Quezon City, Metro Manila
7. **Office of the President of PCCI**
Philippine Chamber of Commerce and Industry (PCCI)
3rd Floor, ECC Building, Sen. Gil Puyat Avenue
Makati City
8. **Office of the City Mayor**
Tuguegarao City, Cagayan
9. **Office of the Municipal Mayor**
Rizal, Cagayan
10. **Office of the Municipal Mayor**
Tuao, Cagayan
11. **Office of the Municipal Mayor**
Piat, Cagayan
12. **Office of the Municipal Mayor**
Sto. Niño, Cagayan
13. **Office of the Municipal Mayor**
Solana, Cagayan
14. **Office of the Municipal Mayor**
Enrile, Cagayan

15. **Office of the Municipal Mayor**
Peñablanca, Cagayan
16. **Office of the Municipal Mayor**
Iguig, Cagayan
17. **Office of the Municipal Mayor**
Amulung, Cagayan
18. **Office of the Municipal Mayor**
Alcala, Cagayan
19. **Office of the Municipal Mayor**
Baggao, Cagayan