

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City



**IN THE MATTER OF THE  
APPLICATION FOR  
AUTHORITY TO DEVELOP,  
OWN, AND OPERATE A  
DEDICATED POINT-TO-  
POINT LIMITED FACILITIES  
TO CONNECT THE 26.256 MW  
SIBULAN B HYDROELECTRIC  
POWER PLANT TO DAVAO  
LIGHT AND POWER  
COMPANY, INC.'S  
DISTRIBUTION SYSTEM**

**ERC CASE NO. 2021-035 MC**

**HEDCOR SIBULAN INC.  
("HSI"),**  
*Applicant.*

**Promulgated:**  
January 10, 2022

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**NOTICE OF VIRTUAL HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 22 December 2021, Hedcor Sibulan Inc. (HSI) filed an *Application* dated 10 December 2021, seeking the Commission's approval of its application for authority to develop, own, and operate a dedicated point-to-point limited facilities to connect the 26.256 MW Sibulan B Hydroelectric Power Plant to Davao Light and Power Company, Inc.'s (DLPC) distribution system.

The pertinent provisions of the said *Application* are hereunder quoted as follows:

1. HSI is a generation company duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal office address at Barangay Darong, Santa Cruz, Davao del Sur. It may be served with order, notices and other processes of this Honorable through undersigned counsel.

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2. Pursuant to the Amended Distribution Services and Open Access Rules ("DSOAR"),<sup>1</sup> the instant Application is submitted to secure authority from the Honorable Commission for HSI to develop, own and operate a dedicated point-to-point limited facilities connecting its Sibulan A (*sic*) Hydroelectric power plant to the distribution system of Davao Light and Power Company, Inc. (DLPC) (hereinafter, "Subject Facilities").

STATEMENT OF FACTS

3. In order to address power supply needs, DLPC entered into a Power Supply Agreement (PSA) for the supply of 400,000,000 kWh per year of new capacity beginning in 2009 with the consortium of Hedcor, Inc., Hedcor Sibulan Inc., Hedcor Tamugan, Inc., and Philippine Hydropower Corporation.
4. The PSA was approved through a Decision dated 3 April 2008, in the case entitled *"In the Matter of the Application for Approval of the Power Supply Agreement Between Davao Light and Power Company, Inc. (DLPC) and Consortium of Hedcor Inc., Hedcor Sibulan, Inc., Hedcor Tamugan, Inc. and Philippine Hydropower Corporation"*, docketed as ERC Case No. 2007-137 RC.
5. HSI undertook the construction, ownership, and operation of Sibulan A, and Sibulan B hydroelectric power plants located in Darong, Sta. Cruz, Davao del Sur, in order to supply the power requirements under the PSA. Further, HSI undertook the development, ownership, and operation of the Subject Facilities connecting the hydroelectric power plants to DLPC's distribution system through an approximate 19.4 km single circuit 69kV line transmission line, which in turn connects to DLPC's ERA Substation, via the Puan Switching Station.
6. The cost of the Subject Facilities, which includes the materials, labor, transportation, and other construction-related costs is PhP155,043,954.26, broken down as follows:

| Subject Facilities Cost        |                          |
|--------------------------------|--------------------------|
| Direct Labor                   | 12,659,991.16            |
| Direct Materials               | 103,109,740.00           |
| Poles                          | 44,690,142.45            |
| Transmission Line Materials    | 11,395,392.09            |
| Warehouse Supplies             | 468,439.86               |
| Electrical Materials           | 23,056,737.47            |
| Other Material Expenses        | 23,499,028.14            |
| Shop Supplies                  | 170,024.08               |
| Hauling Cost                   | 3,297,544.62             |
| Equipment Rental               | 98,913.73                |
| Contingency/ Other Expenses    | 12,928,877.57            |
| Puan Substation                | 22,778,863.10            |
| <b>Total Transmission Cost</b> | <b>PhP155,043,954.26</b> |

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<sup>1</sup> ERC Resolution No. 2, Series of 2010 entitled "A Resolution Adopting the Amendments to the Distribution Services and Open Access (DSOAR)".

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7. HSI is one of the legal entities under the Hedcor Group. The Hedcor Group is the country's leading run-of-river hydropower operator and has been producing clean and renewable energy for over 40 years. HSI houses its own operations and maintenance department capable of owning, developing, and operating the Subject Facilities. HSI is fully equipped in designing and maintaining long length transmission lines in order to transmit generated power to several distribution utilities or through the grid.
8. The following documents are herewith submitted in support of the instant Application:

| Annex | Documents                                                                                                |
|-------|----------------------------------------------------------------------------------------------------------|
| A     | Description of the Project                                                                               |
| B     | Proof that the project is consistent with Distribution Development Plan (DDP)                            |
| C-1   | Distribution Impact Study                                                                                |
| C-2   | Grid Impact Study                                                                                        |
| C-3   | Distribution Asset Study Certification                                                                   |
| D     | Proof of Compliance with Philippine Distribution Code (PDC)                                              |
| E     | Detailed Single Line Diagram                                                                             |
| F     | Point-to-Point Application Relevant Dates                                                                |
| G     | Names and company profiles of contractors                                                                |
| H     | Demand-Supply Scenario                                                                                   |
| I     | Connection Agreement                                                                                     |
| J     | Secretary's Certificate dated 2 August 2021                                                              |
| K     | Sworn Statement dated 12 August 2021                                                                     |
| L     | Environment Compliance Certificate                                                                       |
| M     | Certificate of Registration from the Department of Energy (DOE)                                          |
| N     | Operating Contract between the Plant or DOE                                                              |
| O     | List of Key Management Officials (GIS)                                                                   |
| P-1   | Amended Articles of Incorporation                                                                        |
| P-2   | Amended By-Laws                                                                                          |
| Q-1   | List of name and addresses of personnel responsible for the design, installation, maintenance and repair |
| Q-2   | Statement of Compliance and Compliance Plan to the PDC                                                   |

**PRAYER**

WHEREFORE, it is respectfully prayed that the Honorable Commission that after hearing on the merits, APPROVE the instant Application for authority to develop, own, and operate assets, including dedicated point-to-point limited transmission facilities consisting of the Subject Facilities.

Other relief, just and equitable, under the premises are likewise prayed for.

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The Commission hereby sets the instant *Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platform for the conduct thereof, pursuant to Resolution 09, Series of 2020<sup>2</sup> dated 24 September 2020 and Resolution No. 01, Series of 2021 dated 17 December 2020 (ERC Revised Rules of Practice and Procedure):<sup>3</sup>

| <b>Date</b>                                                                            | <b>Platform</b>            | <b>Activity</b>                                                                                             |
|----------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>15 February 2022</b><br>(Tuesday) at two o'clock<br>in the afternoon (2:00<br>P.M.) | <b>Microsoft<br/>Teams</b> | Determination of<br>compliance with the<br>jurisdictional<br>requirements and<br>expository<br>presentation |
| <b>22 February 2022</b><br>(Tuesday) at two o'clock<br>in the afternoon (2:00<br>P.M.) | <b>Microsoft<br/>Teams</b> | Pre-trial Conference<br>and presentation of<br>evidence                                                     |

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph). The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the expository presentation.

Moreover, all persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at [docket@erc.ph](mailto:docket@erc.ph), copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), a verified Petition to Intervene at least five (5) calendar days prior to the date of the initial virtual hearing and subject to the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name, mailing address, and e-mail address;

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<sup>2</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>3</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and
- 3) A statement of the relief desired.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at [docket@erc.ph](mailto:docket@erc.ph), copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), their Opposition or Comment thereon at least five (5) calendar days prior to the initial virtual hearing and subject to the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name, mailing address, and e-mail address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

Any of the persons mentioned in the preceding paragraphs may access the copy of the *Application* on the Commission's official website at [www.erc.gov.ph](http://www.erc.gov.ph).

Finally, all interested persons may be allowed to join the scheduled initial virtual hearing by providing the Commission, thru [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), with their respective e-mail addresses and indicating therein the case number of the instant *Application*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.


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**WITNESS**, the Honorable Commissioners **ALEXIS M. LUMBATAN, CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL**, and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 5<sup>th</sup> day of January 2022 in Pasig City.

  
**AGNES YST DEVANADERA**  
*Chairperson and CEO*

  
LS: CNR/LSP/MCCG

