

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



**IN THE MATTER OF THE
APPLICATION FOR APPROVAL
OF CAPITAL EXPENDITURE
PROJECTS FOR 2016 TO 2018,
WITH PRAYER FOR THE
ISSUANCE OF PROVISIONAL
AUTHORITY**

ERC CASE NO. 2015-082 RC

**PAMPANGA I ELECTRIC
COOPERATIVE, INC. (PELCO
I),**

Applicant.

x-----x

D O C K E T E D

Date: **JUL 27 2015**

By: *[Signature]*

NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on April 28, 2015, the Pampanga I Electric Cooperative, Inc. (PELCO I) filed an application for approval of capital expenditure projects for 2016 to 2018, with prayer for the issuance of provisional authority.

In the said application, PELCO I alleged, among others, the following:

1. It is a non-stock, non-profit electric cooperative duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Sto Domingo, Mexico, Pampanga;
2. It holds an exclusive franchise issued by the National Electrification Administration (NEA) to operate an electric light and power distribution service in the municipalities of Arayat, Candaba, Magalang, Mexico, Sta. Ana and San Luis, all in the Province of Pampanga;

3. Pursuant to the Commission's Resolution No. 26, Series of 2009, and other pertinent rules and regulations, the instant application is filed for the approval of its CAPEX projects for the years 2016-2018;
4. In compliance with the Commission's rules, it states clearly the description of each project and attaches relevant documents to support the following requirements: a) Project Code, b) Project Type, c) Project Category, d) Project Title, e) Project Cost, f) Project Duration; g) Project Description, h) Project Justification, i) Technical Analysis, j) Economic Analysis, k) Annexes, and l) Project Financing Plan;
5. Its proposed capital projects to be are as follows:

| A. NETWORK PROJECTS | | |
|----------------------------|---|----------------------|
| <i>Code</i> | <i>Project Title</i> | <i>Cost</i> |
| NP01 | Upgrading of Plaza Luma substation from 10 MVA to 20 MVA | 19,034,954.40 |
| NP02 | Restoration of San Isidro Substation | 6,161,505.00 |
| NP03 | Rehabilitation and Upgrading of the following Substation Switchgears: a. Sta. Monica b. San Nicolas | 5,487,428.80 |
| NP04 | Rehabilitation of Old Lines: a. Group 1 b. Group 2 c. Group 3 | 42,390,372.07 |
| | Subtotal | 73,074,260.27 |

| A. OTHER NETWORK PROJECTS | | |
|----------------------------------|--|----------------------|
| ONP1 | Distribution Transformers | 17,109,000.00 |
| ONP2 | Service Drops | 4,433,760.00 |
| ONP3 | Add-ons (KWH Meters for New Customer Connection) | 8,433,580.00 |
| ONP4 | Back-up Protections | 3,750,000.00 |
| | Subtotal | 33,726,340.00 |

| A. NON-NETWORK PROJECTS | | |
|--------------------------------|--|-----------------------|
| NNP01 | Construction of Multi-Purpose Building that houses Fitness and Health Gym, Library and Museum | 3,064,739.91 |
| NNP02 | Construction of Covered Parking Area for Service Vehicles | 1,626,225.96 |
| NNP03 | Construction of Wash Area and Public Restrooms | 849,434.14 |
| NNP04 | Renovation of Warehouse Building, IT Repair Room, Lineman's Quarter and Meter Shop | 1,141,968.71 |
| NNP05 | Construction of Pole Storage Yard and Service Roads | 2,216,126.80 |
| NNP06 | Construction of Fuel Refilling Station | 1,071,499.18 |
| NNP07 | Acquisition of Transportation Service Vehicles | 95,232,000.00 |
| NNP08 | Acquisition of Mobile Bunk House | 2,250,000.00 |
| NNP09 | Acquisition of Electronic Meter Standard and Phantom Load | 1,200,000.00 |
| NNP10 | Acquisition of Distribution System Application Software (DSAS) - Simulation and Reliability Analyses | 660,000.00 |
| NNP11 | Acquisition of Daylight Ultraviolet Imaging Camera | 4,000,000.00 |
| | Subtotal | 113,311,994.70 |
| | GRAND TOTAL | 220,112,594.97 |

6. Its capital expenditure projects are necessary for effective operation and maintenance of the distribution system of in order to provide safe, efficient, reliable, least-cost and quality electric services to consumers;
7. Its capital expenditure projects are in compliance with the Philippine Grid Code (PGC), the Philippine Distribution Code (PDC), the latest edition of the Philippine Electrical Code (PEC), the provisions of Republic Act No. 9136 and the implementing guidelines on capital expenditure projects;

8. It is consistent with the Distribution Development Plan that was submitted to the Department of Energy (DOE);
9. Its proposed capital expenditure projects will be financed through the Re-investment Fund for Sustainable Capex (RFSC) and the Internally Generated Fund (IGF);
10. It assures that there will be no increase in the current approved RFSC rate of P0.2964; and
11. It prays that the Commission issue a provisional authority pending trial on the merits, and approve, after notice and hearing, the instant application and render judgment making provisional approval permanent.

The Commission has set the application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on **September 4, 2015 (Friday) at ten o'clock in the morning (10:00 A.M.) at the PELCO I Main Office, Sto. Domingo, Mexico, Pampanga.**


All persons who have an interest in the subject matter of the proceeding may become a party by filing, at least five (5) days prior to the initial hearing and subject to the requirements in the ERC's Rules of Practice and Procedure, a verified petition with the Commission giving the docket number and title of the proceeding and stating: (1) the petitioner's name and address; (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.

All other persons who may want their views known to the Commission with respect to the subject matter of the proceeding may file their opposition to the application or comment thereon at any stage of the proceeding before the applicant concludes the presentation of its evidence. No particular form of opposition or comment is required, but the document, letter or writing should contain the name and address of such person and a concise statement of the opposition or comment and the grounds relied upon.

All such persons who may wish to have a copy of the application may request the applicant, prior to the date of the initial hearing, that they be furnished with a copy of the application. The applicant is hereby directed to furnish all those making a request with copies of the application and its attachments, subject to reimbursement of reasonable photocopying costs. Likewise, any such person may examine the application and other pertinent records filed with the Commission during the usual office hours.

WITNESS, the Honorable Commissioners, **ALFREDO J. NON**, **GLORIA VICTORIA C. YAP-TARUC**, **JOSEFINA PATRICIA A. MAGPALE-ASIRIT**, and **GERONIMO D. STA. ANA**, Energy Regulatory Commission, this 20th day of July, 2015 at Pasig City.


ATTY. FRANCIS SATURNINO C. JUAN
Executive Director III


Mtc/GLO/NJS/2015-082RC/capex/PELCOI.NPH