

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 CALENDAR
YEAR 2015**

ERC CASE NO. 2015-153 RC

**DAVAO LIGHT AND POWER
COMPANY, INC. (DLPC),**

Applicant.

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D O C K E T E D

Date: FEB 04 2016

By: W

NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 12 August 2015, the Davao Light and Power Company, Inc. (DLPC) filed with the Commission an application for the approval of its capital expenditure projects for calendar year 2015.

In the said application, DLPC alleged, among others, that:

1. DLPC is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Aboitiz Corporate Center, Gov. Manuel A. Cuenco Ave., Kasambagan, Cebu City. It is the grantee of a legislative franchise under Republic Act No. 8960 to operate the electric light and power distribution system in the Cities of Davao and Panabo, and in the Municipalities of Carmen, Sto. Tomas and Braulio Dujali, all in the Province of Davao del Norte (Franchise Area). DLPC may be served with orders and other processes of the Commission through its counsel;
2. In accordance with Resolution No. 26, Series of 2009 of the Commission, otherwise known as the "Amended Rules for

the Approval of Regulated Entities' Capital Expenditure Projects", DLPC hereby applies for the authority of the Commission to implement the construction, ownership and operation of the following Capital Expenditure Projects (CAPEX) which will be implemented for Calendar Year 2015, summarized and enumerated as follows:

Project Name	Project Cost (PhP)
Acquisition of Land	72,000,000
Buildings and Improvements	147,642,106
Substation Projects	99,101,650
Upgrading of Distribution Lines	373,257,089
IT Hardware and Management Tools	14,669,131
Meter Data Management	15,567,818
Mobile Apps	173,784
Project Aguila	3,495,698
Project Hyperion	7,215,000
Single Sign-On	3,120,000
WAM Phase 2 Consultancy	274,560
Residual Capex	243,210,329
TOTAL	979,727,165

3. The justifications for DLPC's CAPEX for Calendar Year 2015 are discussed in detail in Annex "A", including sub-annexes, in support of DLPC's application and containing the following:
 - a. Major Project Description and Justification;
 - b. Project Cost Estimates;
 - c. Technical Analysis;
 - d. Economic Analysis;
 - e. Project Schedule; and
 - f. DLPC Distribution Development Plan;
4. The total cost of the proposed CAPEX for Calendar Year 2015 is estimated at **PhP979,727,165.00** to be funded from long term loans to be secured by DLPC;
5. The construction, ownership and operation of the above CAPEX for RY 2014 and RY 2015 has been approved by the Board of Directors of DLPC as evidenced by the Secretary's Certificate attached to the application as Annex "B" thereof;

6. The foregoing CAPEX for Calendar Year 2015 are indispensable for the systematic and economic expansion and rehabilitation of DLPC's distribution facilities and ensuring compliance with safety, performance and regulatory requirements. It will ultimately benefit customers in terms of continuous, reliable and efficient power supply; and
7. It prays that the Commission:
 1. Approve the Capital Expenditure Projects for Calendar Year 2015 listed in paragraph 2 of DLPC's Application; and
 2. Grant DLPC the authority to implement, construct, own and operate said Capital Expenditure Projects.


The Commission has set the application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on **March 8, 2016 (Tuesday) at eleven o'clock in the morning (11:00 A.M.) at the ERC Mindanao Field Office, Mezzanine Floor, Mintrade Building, Monteverde corner Sales Streets, Davao City**

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

WITNESS, the Honorable Chairman, **JOSE VICENTE B. SALAZAR**, and 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 25th day of January, 2016 at Pasig City.


ATTY. NATHAN J. MARASIGAN
Chief of Staff
Office of the Chairman and CEO