

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



**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE  
INCREASE OF  
AUTHORIZED CAPITAL  
STOCK OF CABANATUAN  
ELECTRIC CORPORATION,**

**ERC CASE NO. 2017 -018 MC**

**CABANATUAN ELECTRIC  
CORPORATION,**

**Applicant.**

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**D O C K E T E D**  
Date: **DEC 19 2017**  
By: \_\_\_\_\_

**NOTICE OF PUBLIC HEARING**

Notice is hereby given that on 07 November 2017, Cabanatuan Electric Corporation (CELCOR) filed an *Application* dated 02 October 2017 (Application) for the approval of the increase of its authorized capital stock.

In its *Application*, CELCOR alleged the following:

1. Applicant is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with its office address at CELCOR Compound, Maharlika Highway, Barangay Bitas, Cabanatuan City, Philippines.
2. Applicant is the franchise holder issued by the Congress of the Philippines, by virtue of Republic Act No. 9968, for the operation and maintenance of a power distribution system servicing the end-users in Cabanatuan City, Nueva Ecija.
3. Applicant had an authorized capital stock of Three Hundred Million Pesos (Php 300,000,000.00) divided into Sixty Million (60,000,000) shares with a par value of Five Pesos (Php 5.00) per share.

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4. In order to raise additional funding for the expansion and upgrade of its sub-transmission and distribution system as well as non-network projects and in compliance with the rules and regulations of the Securities and Exchange Commission (SEC) and the Corporation Code of the Philippines, Applicant has determined the absolute necessity to increase its authorized capital stock to One Billion Pesos (Php 1,000,000,000.00) divided into Two Hundred Million (200,000,000) shares with a par value of Five Pesos (Php 5.00) per share.
5. Out of the aforementioned increase in authorized capital stock, Thirty-Five Million (35,000,000) shares have been subscribed and fully paid by Applicant's stockholders-of-record, by way of declaration of stock dividend based on the Corporation's unrestricted retained earnings as of 31 December 2015, which stock dividend declaration was duly approved by the Board of Directors at its regular meeting on 16 January 2016 and by the stockholders-of-record at their annual meeting held on 13 March 2016.
6. The remaining balance of One Hundred Five Million (105,000,000) shares shall be available for subscription or sale to existing shareholders, or to other parties as the Applicant may determine, subject to compliance with the requirements and procedures under existing laws.
7. This increase in capital stock has been duly approved by the Board of Directors and stockholders-of-record of Applicant and, in respect thereof, all other requirements of the Corporation Code have been complied with.
8. In addition, the SEC has already approved the aforesaid proposed increase in the Applicant's authorized capital stock as shown in the attached Certificate of Approval of Increase of Capital Stock dated 20 December 2016.
9. In support hereof, Applicant hereto attaches the following supporting documents, to wit:

ANNEX NO.	NATURE OF DOCUMENT
1	Secretary's Certificate attesting to the authority of Chairperson/Chief Executive, Adoration C. Yatco, to initiate and file the Application
2	Directors' Certificate
3	Amended Articles of Incorporation
4	Certificate of Increase of Capital Stock (Applicant-Issued)
5	Treasurer's Affidavit
6	Certificate of Approval of Increase of Capital Stock issued by the SEC
7	Summary of Major Capital Projects

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10. The approval of this Application shall enable Applicant to improve and enhance the quality of its services to the consuming public, and further accommodate prospective investors as a means of ensuring continued growth and development.

**PRAYER**

WHEREFORE, the above premises considered, Applicant respectfully prays that upon due notice and hearing, the Honorable Commission grant this Application for the increase of Applicant's authorized capital stock from Three Hundred Million Pesos (Php300,000,000.00) to One Billion Pesos (Php1,000,000,000.00).

Applicant further prays for such other remedies as may be deemed just and equitable.

The Commission has set the Application for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **15 January 2018 (Monday) at two o'clock in the afternoon (2:00 P.M.) at the ERC Hearing Room, 15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

All persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission a verified Petition to Intervene at least five (5) days prior to the initial hearing and subject to the requirements under Rule 9 of the 2006 Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- i. The petitioner's name and address;
- ii. 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
- iii. 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 case may file their Opposition or Comment thereon at any stage of the proceeding before Applicant rests its case, subject to the requirements under Rule 9 of the 2006 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 and address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All such persons who wish to have a copy of the *Application* may request from Applicant that they be furnished with the same, prior to the date of the initial hearing. 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 Chairperson and CEO, **AGNES VST DEVANADERA**, and the Honorable Commissioners, **ALFREDO J. NON**, **GLORIA VICTORIA C. YAP-TARUC**, and **GERONIMO D. STA. ANA**, Energy Regulatory Commission, this 11<sup>th</sup> day of December 2017 in Pasig City.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**JOSEFINA PATRICIA A. MAGPALE-ASIRIT**  
*Oversight Commissioner for Legal*