

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 ILIGAN LIGHT &  
POWER, INC. (ILPI)**

**ERC CASE NO. 2015-065 MC**

**ILIGAN LIGHT & POWER,  
INC. (ILPI),**

**Applicant.**

X-----X

**D O C K E T E D**

Date: **APR 13 2018**

By: \_\_\_\_\_

**ORDER**

On 9 October 2015, an *Application* dated 4 August 2015 was filed by applicant Iligan Light & Power, Inc. (ILPI) seeking the Commission's approval of the increase of its authorized capital stock.

ILPI alleged the following in its Application:

1. ILPI is a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at Bro. Jeffrey Road, Pala-o, Iligan City where it may be served with summons and other legal processes.

2. ILPI is the exclusive franchise holder issued by the Congress of the Philippines to operate electric light and power services in the City of Iligan in the Province of Lanao del Norte.

3. The Applicant had an authorized capital stock of One Hundred Million Pesos (PhP100,000,000.00) consisting of Ten Million (10,000,000) Common Shares with a par value of PhP10.00 per share.

4. The Applicant has found it necessary to increase its said authorized capital stock to Five Hundred Million Pesos (PhP500,000,000.00) consisting of Fifty Million (50,000,000) common with a par value of PhP10.00 per share, to (1) raise additional equity funds for: a) the expansion and upgrading of its subtransmission and distribution system, and b) the partial retirement of its short term debts; 2) provide flexibility to meet business needs in the future, and 3) take advantage of opportunities as they arise.

5. Out of the aforesaid increase in capital stock, Ten Million Forty-Six (10,000,046) common shares have been subscribed and Seven Million Five Hundred Thousand One Hundred Twenty-One (7,500,121) common shares have been paid.

6. The remaining balance of Twenty-Nine Million Nine Hundred Ninety-Nine Thousand Nine Hundred Fifty-Four (29,999,954) common shares shall be available for subscription or sale to existing shareholders, or to other parties, as the Applicant may determine.

7. The aforesaid increase in capital stock has been duly approved by the Board of Directors and Stockholders of the Applicant and, in respect thereof, all other requirements in the Corporation Code have been complied with.

8. In support of this Application, the Applicant has attached the following supporting documents:

<b>SCHEDULE</b>	<b>INFORMATION PROVIDED</b>
A	Certificate of Approval of Increase of Capital Stock
B	Certificate of Increase of Authorized Capital Stock
C	Treasurer's Affidavit
D	Secretary' Certificate Waiver of Pre-Emptive Right
E	Audited Financial Statements

9. The approval of this Application will enable the Applicant to continue to render safe, reliable and efficient service and, in general, will promote public interest, in a just and suitable manner.

**PRAYER**

WHEREFORE, premises considered, Applicant respectfully prays that after due notice and hearing and consideration, this Application be approved.

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

Finding the said Application to be sufficient in form and in substance with the required fees having been paid, the same is hereby set for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **24 April 2018 at two o'clock in the afternoon (2:00 P.M.), at the ERC Hearing Room, 15<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

2/16

Accordingly, ILPI is hereby directed to:

- 1) Cause the publication of the attached Notice of Public Hearing once (1x) in a newspaper of nationwide circulation in the Philippines at its own expense, the date of the publication to be made not later than ten (10) days before the scheduled initial hearing;
- 2) Furnish with copies of this Order and the attached Notice of Public Hearing the Offices of the Provincial Governor, City Mayor, and the Local Government Unit (LGU) legislative bodies within the franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform of the filing of the Application, its reasons therefor, and of the scheduled hearing thereon, the consumers within the affected franchise area, by any other means available and appropriate;
- 4) Furnish with copies of this Order and the attached Notice of Public Hearing, 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 hearing; and
- 5) Furnish with copies of the Application and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

On the date of the initial hearing, Applicant must submit to the Commission its written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked the following:

- 1) The evidence of publication of the attached Notice of Public Hearing consisting of affidavit of the Editor or Business Manager of the newspaper where the said Notice of Public Hearing was published, and the complete issue of the said newspaper;
- 2) The evidence of actual posting of this Order and the attached Notice of Public Hearing consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayor, and LGU legislative

bodies or their duly authorized representatives, bearing the seals of their offices;

- 3) The evidence of other means employed by Applicant to inform of the filing of the Application, its reasons therefore, and of the scheduled hearing thereon, the consumers within the affected franchise area;
- 4) The evidence of receipt of copies of this Order and the attached Notice of Public Hearing by the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the Application and its attachments by all those making requests therefor, if any; and
- 6) Such other proofs of compliance with the requirements of the Commission.

Applicant and all interested parties are also required to submit, at least five (5) days before the date of the initial hearing and Pre-trial Conference, their respective Pre-trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefore; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

Failure of Applicant to comply with the above requirements 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 the said date of cancellation.

ILPI must also be prepared to make an expository presentation of the instant 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, 21 March 2018.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**AGNES VST DEVANADERA**  
*Chairperson and CEO*

  
LS: SLAN/KTB/APV



COPY FURNISHED:

1. Iligan Light & Power, Inc. (ILPI)  
*Applicant*  
Bro. Jeffrey Road, Pala-o, Iligan City
2. Atty. Manuel L.M. Torres and Atty. Miguel K. Mathay  
*Counsel for Applicant ILPI*  
QUIASON MAKALINTAL BAROT TORRES IBARRA & SISON  
21<sup>ST</sup> Floor, Robinsons-Equitable Tower, 4 ADB Avenue corner Poveda Street,  
1605 Ortigas Center, Pasig City
3. Office of the Mayor  
City of Iligan
4. Office of the LGU legislative body  
City of Iligan
5. Office of the Governor  
Province of Lanao del Norte
6. Office of the LGU legislative body  
Province of Lanao del Norte
7. Office of the Solicitor General  
134 Amorsolo Street, Legaspi Village, Makati City
8. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City
9. Senate Committee on Energy  
GSIS Bldg. Roxas Blvd., Pasay City
10. House Committee on Energy  
Batasan Hills, Quezon City
11. Philippine Chamber of Commerce and Industry (PCCI)  
3<sup>rd</sup> Floor, Chamber and Industry Plaza (CIP),  
1030 Campus Avenue corner Park Avenue,  
McKinley Town Center, Fort Bonifacio, Taguig City

*slab*

**ERC CASE NO. 2015-065 MC**  
**ORDER/21 MARCH 2018**  
**PAGE 6 OF 6**

---

12. Regulatory Operations Service (ROS)  
[Tariffs and Rates Division (TRD)]  
17<sup>th</sup> Floor, Pacific Center Bldg., San Miguel Avenue, Pasig City