

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



**IN THE MATTER OF THE
APPLICATION FOR
APPROVAL OF THE
PROPOSED EMERGENCY
CAPITAL EXPENDITURE
PROJECT FOR 2018
CONSISTING OF UPRATING
THE MISSION SUBSTATION
IN STA. TERESITA, CAGAYAN
FROM 5MVA TO 15MVA**

ERC CASE NO. 2018-015 RC

**CAGAYAN II ELECTRIC
COOPERATIVE, INC.
(CAGELCO II),**

Applicant.

X -----X

DOCKETED
Date: JUN 18 2018
By: _____

ORDER

On 22 March 2018, Cagayan II Electric Cooperative, Inc. (CAGELCO II) filed an Application to seek the Commission's approval of its Emergency Capital Expenditure Project for the year 2018, consisting of uprating the mission Substation in Sta. Teresita, Cagayan from 5MVA to 15MVA.

In its Application, CAGELCO II alleged the following:

1. Applicant CAGELCO II is an electric cooperative duly organized and existing under Philippine law, with principal office address at Macanaya District, Aparri, Cagayan; franchised to distribute electricity in the municipalities of Abulug, Allacapan, Aparri, Ballesteros, Buguey, Calamaniugan, Claveria, Gattaran, Gonzaga, Lal-lo, Lasam, Pamplona, Sanchez Mira, Sta. Ana, Sta. Praxedes and Sta. Teresita, all in the Province of Cagayan; and the municipalities of Flora, Luna, Sta. Marcela and Pudtol, all in the Province of Apayao. Its OIC-General Manager is Ms. Blandina Y. Madamba.

2. Due to the sudden unexpected entry of a large load, CAGELCO II's facilities will not be able to adequately serve the electricity requirements of all its customers. CAGELCO II is therefore proposing to undertake this emergency capital expenditure project to comply with its obligation to adequately serve the peak demand of its customers.
3. The proposed emergency capital expenditure project consists of the following:
 - a. Uprating of the existing substation at Mission, Sta. Teresita, Cagayan from 5MVA to 15 MVA;
 - b. Installation of corresponding 69kV protection and metering equipment, as well as a new Medium Voltage Switchgear with one (1) incoming main and three (3) outgoing feeders.
4. The replaced 5MVA power transformer will be refurbished and will serve as a buffer stock of CAGELCO II for future substation projects.
5. The project is estimated to cost P47,500,000.00.
6. CAGELCO II submits the following documents in support of the application:
 - a. Executive Summary;
 - b. Power Requirements of DataJ (Annex A);
 - c. 15 Year Demand Forecast (Annex B);
 - d. Substation Loading Analysis With and Without Project (Annex C) ;
 - e. Options/Alternatives Considered (Annex D);
 - f. Technical Analysis (Annex E); and
 - g. Bill of Materials (Annex F).

PRAYER

WHEREFORE, CAGELCO II respectfully prays for the approval of the proposed Emergency Capital Expenditure Project for 2018.

CAGELCO II also prays for such other relief or remedy as may just and equitable under the circumstances.

Finding the said Application to be sufficient in substance with the required fees having been paid, the same is hereby set for the determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **26 July 2018 (Thursday) at ten o'clock in the morning (10:00 A.M.) at CAGELCO II's Main Office in Aparri, Cagayan.**

Accordingly, CAGELCO II is hereby directed to:

- 1) Cause the publication of the attached Notice of Public Hearing in two (2) newspapers of nationwide circulation in the Philippines at its own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial hearing;
- 2) Furnish with copies of this Order and the attached Notice of Public Hearing the Offices of the Provincial Governor, the City and Municipal Mayors, and the Local Government Unit (LGU) legislative bodies within the affected 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 affidavits of the Editors or Business Managers of the newspapers where the said Notice of Public Hearing was published, and the complete issues of the said newspapers;

- 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, Mayors, 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 initial hearing and Pre-trial Conference, their respective Pre-trial Briefs containing, among others:

- (a) A summary of admitted facts and proposed stipulation of facts;
- (b) The issues to be tried or resolved;
- (c) The documents or exhibits to be presented, stating the purposes thereof and proposed markings therefore; and
- (d) The number and names of the witnesses, with their written testimonies in an individual affidavit form, to be 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.

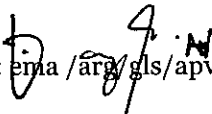
CAGELCO II must also be prepared to make an expository presentation of the instant Application, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, what the Application is all about and the reasons and justifications being cited in support thereof.

SO ORDERED.

Pasig City, 11 June 2018.

FOR AND BY AUTHORITY
OF THE COMMISSION:


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Oversight Commissioner for Legal

LS:  / arg/gls/apv.2018-015 RC CAGELCO II.doc

rtb/llg/fbd

Copy furnished:

1. Atty. Ranulfo Ocampo
Counsel for CAGELCO II
7/F Strata 100 Bldg., F. Ortigas Jr. Rd.,
Ortigas Center, Pasig City
2. Office of the Solicitor General
134 Amorsolo Street, Legaspi Village, Makati City
3. Commission on Audit
Commonwealth Ave., Quezon City
4. The Senate Committee on Energy
GSIS Building, Roxas Boulevard, Pasay City
5. The House Committee on Energy
Batasan Hills, Quezon City
6. Office of the Municipal Mayor
Abulog, Cagayan
7. Office of the LGU Legislative Body
Abulug, Cagayan
8. Office of the Municipal Mayor
Allacapan, Cagayan

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9. Office of the LGU Legislative Body
Allacapan, Cagayan
10. Office of the Municipal Mayor
Aparri, Cagayan
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Aparri, Cagayan
12. Office of the Municipal Mayor
Ballesteros, Cagayan
13. Office of the LGU Legislative Body
Ballesteros, Cagayan
14. Office of the Municipal Mayor
Buguey, Cagayan
15. Office of the LGU Legislative Body
Buguey, Cagayan
16. Office of the Municipal Mayor
Calamaniugan, Cagayan
17. Office of the LGU Legislative Body
Calamaniugan, Cagayan
18. Office of the Municipal Mayor
Claveria, Cagayan
19. Office of the LGU Legislative Body
Claveria, Cagayan
20. Office of the Municipal Mayor
Gattaran, Cagayan
21. Office of the LGU Legislative Body
Gattaran, Cagayan
22. Office of the Municipal Mayor
Gonzaga, Cagayan
23. Office of the LGU Legislative Body
Gonzaga, Cagayan
24. Office of the Municipal Mayor
Lal-lo, Cagayan
25. Office of the LGU Legislative Body
Lal-lo, Cagayan
26. Office of the Municipal Mayor
Lasam, Cagayan
27. Office of the LGU Legislative Body
Lasam, Cagayan
28. Office of the Municipal Mayor
Pamplona, Cagayan
29. Office of the LGU Legislative Body
Pamplona, Cagayan
30. Office of the Municipal Mayor
Sanchez Mira, Cagayan

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31. Office of the LGU Legislative Body
Sanchez Mira, Cagayan
32. Office of the Municipal Mayor
Sta. Ana, Cagayan
33. Office of the LGU Legislative Body
Sta. Ana, Cagayan
34. Office of the Municipal Mayor
Sta. Praxedes, Cagayan
35. Office of the LGU Legislative Body
Sta. Praxedes, Cagayan
36. Office of the Municipal Mayor
Sta. Teresita, Cagayan
37. Office of the LGU Legislative Body
Sta. Teresita, Cagayan
38. Office of the Municipal Mayor
Flora, Apayao
39. Office of the LGU Legislative Body
Flora, Apayao
40. Office of the Municipal Mayor
Luna, Apayao
41. Office of the LGU Legislative Body
Luna, Apayao
42. Office of the Municipal Mayor
Sta. Marcela, Apayao
43. Office of the LGU Legislative Body
Sta. Marcela, Apayao
44. Office of the Municipal Mayor
Pudtol, Apayao
45. Office of the LGU Legislative Body
Pudtol, Apayao
46. Office of the Provincial Governor
Province of Apayao
47. Office of the LGU Legislative Body
Province of Apayao
48. Office of the Provincial Governor
Province of Cagayan
49. Office of the LGU Legislative Body
Province of Cagayan
50. National Grid Corporation of the Philippines (NGCP)
Quezon Avenue corner BIR Road, Diliman, Quezon City
51. ERC-Regulatory Operations Service
17/F Pacific Center Bldg., San Miguel Ave.
Ortigas, Pasig City