

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



**IN THE MATTER OF THE
APPLICATION FOR
RENEWAL OF
CERTIFICATE OF PUBLIC
CONVENIENCE AND
NECESSITY,**

ERC CASE NO. 2016-045 MC

**MACTAN ELECTRIC
COMPANY, INC. (MECO),
Applicant.**

X-----X

DOCKETED
Date: MAY 31 2017
By: [Signature]

ORDER

On 28 December 2016, Mactan Electric Company, Inc. (MECO) filed an *Application* dated 20 December 2016 (*Application*) for the renewal of its Certificate of Public Convenience and Necessity (CPCN).

MECO alleged the following in its *Application*:

1. MECO is a Filipino corporation duly organized and existing under Philippine laws with principal office at MECO Building, Sangi Road, Lapu-Lapu City, Province of Cebu. It may be served with processes and papers through the undersigned counsel.
2. Republic Act No. 10890 granted MECO a franchise to construct, install, establish, operate and maintain, for commercial purposes and in the public interest, a distribution system for the conveyance of electric power to the end-users in the City of Lapu-Lapu and the Municipality of Cordova, Province of Cebu. MECO's franchise is effective for 25 years from the effectivity date of RA 10890 on July 17, 2016.
3. MECO hereby applies for the renewal of its Certificate of Public Convenience and Necessity (CPCN) pursuant to the Rules to Govern the Issuance of CPCN to Entities Engaged in the Transmission and Distribution of Electricity, as approved in ERC Resolution No. 05, Series of 2008.
4. In support of this application, MECO submits copies of the following documents which are made integral parts hereof:

DESCRIPTION	ATTACHMENT
R.A. No. 10890	1
General Information Sheet (latest)	2
Certificate of Incorporation	3
Articles of Incorporation	4
By-Laws	5
Franchise Area Coverage	6
Total Number of Energized Barangays	7
Total Number of Unenergized Barangays	8
Statement of Adoption of Previously Submitted Utility Practices and Procedures	9
Statement of Effective Tariff	10
List of Names and Addresses of Additional Personnel Responsible for the Design, Installation, Maintenance, and Repair of the Distribution System	11
Updated Information Re: Power Supply and Contracted Demand and Energy	12
Single Line Diagram of the Distribution System	13
Statement of Compliance with Technical Requirements	14
Joint Pole Agreement between MECO and PLDT	15
Audited Financial Statements (latest)	16
Annual Report to the ERC for the Period Ending 31 December 2015 (relevant pages)	17

5. MECO possesses all the qualifications for a CPCN: (a) it is a Filipino corporation; (b) it has a franchise; and (c) it has the technical and financial capabilities to operate the subject distribution system.

RELIEF

WHEREFORE, applicant MECO prays for the renewal of its CPCN for a term coterminous with its franchise.

MECO also prays for equitable relief.

Finding the said *Application* sufficient 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 **21 June 2017 (Wednesday) 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.**

Accordingly, MECO is hereby directed to:

- 1) Cause the publication of the attached Notice of Public Hearing at least once (1x) in one (1) 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 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 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, 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 therefor, 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:

- 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 therefor; 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.

MECO 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, 17 May 2017.

FOR AND BY AUTHORITY
OF THE COMMISSION:



ALFREDO J. NON
Officer-in-Charge of the ERC


LS/BB/JHH/LSM/APV

ERC CASE NO. 2016-045 MC
ORDER/ 17 MAY 2017
PAGE 6 OF 6

Copy furnished:

1. **Ancheta & Associates**
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2. **Mactan Electric Company, Inc. (MECO)**
MECO Bldg., Sangi Road,
Lapu-Lapu City, Cebu
3. **Office of the Solicitor General**
134 Amorsolo Street, Legaspi Village
Makati City, Metro Manila
4. **Commission on Audit**
Commonwealth Avenue
Quezon City, Metro Manila
5. **Senate Committee on Energy**
GSIS Building, Roxas Boulevard
Pasay City, Metro Manila
6. **House Committee on Energy**
Batasan Hills, Quezon City, Metro Manila
7. **Office of the Provincial Governor**
Province of Cebu
8. **Office of the LGU Legislative Body**
Province of Cebu
9. **Office of the Mayor**
Lapu-Lapu City
10. **Office of the LGU Legislative Body**
Lapu-Lapu City
11. **Philippine Chamber of Commerce and Industry (PCCI)**
3rd Flr., Chamber and Industry Plaza (CIP),
1030 Campus Avenue corner Park Avenue,
McKinley Town Center, Fort Bonifacio, Taguig City
12. **Regulatory Operations Services (ROS)**
Energy Regulatory Commission
17th Floor, Pacific Center, San Miguel Avenue, Pasig City