

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 YEARS  
2018 to 2019 WITH PRAYER  
FOR PROVISIONAL  
AUTHORITY**

**ERC CASE NO. 2018-012 RC**

**BOHOL LIGHT COMPANY,  
INC. (BLCI),**

**Applicant.**

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

Date: **APR 20 2018**

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

**ORDER**

On 15 March 2018, an *Application* dated 7 March 2018 was filed by applicant Bohol Light Company, Inc. (BLCI) seeking the Commission's approval of its capital expenditure projects for calendar years 2018 to 2019, with prayer for the issuance of provisional authority.

BLCI alleged the following in its *Application*:

1. BLCI is a corporation duly organized and existing under the laws of Republic of the Philippines, with principal address at BLCI Building, Ramon Enorio Street, Tagbilaran City, Bohol. It is a distribution utility with franchise and Certificate of Public Convenience and Necessity to operate electric light and power services in Tagbilaran City.

2. In compliance with the Amended Rules for the Approval of Regulated Entities' Capital Projects (the "Rules"), as approved in ERC Resolution No. 26, Series of 2009, BLCI submits for approval its capital expenditure program for CYs 2018 and 2019 with an aggregate total cost of **PhP 107,731,752.00**, summarized as follows:

*[Handwritten signature]*

<b>PROJECT DESCRIPTION</b>	<b>CY 2018</b>	<b>CY 2019</b>
<b>I. BLCI-FUNDED</b>		
Distribution Plant		
Land & Land Rights	0	0
Structures & Improvements	690,000	1,067,000
Station Equipment	4,807,716	560,000
Poles, O.H. Conductors & Devices	11,160,787	14,791,225
Line Transformers(Common)	1,862,705	1,955,840
Power Conditioning Equipment	778,753	157,440
Meters	7,397,869	11,910,592
Information Systems Equipment	1,324,849	10,352,849
Total Distribution Plant	28,022,679	40,794,946
General Plant		
Land & Land Rights	0	0
Structures & Improvements	246,000	120,000
Office Furniture & Equipment	288,000	215,000
Transportation Equipment	3,640,000	5,344,000
Tools, Shop & Garage Equipment	1,378,740	700,688
Laboratory Equipment	570,000	2,000,000
Information Systems Equipment	266,649	163,800
Communication Equipment	44,800	48,400
Materials, Supplies Inc. Spares	2,764,499	2,230,724
Total General Plant	9,198,688	10,822,612
<b>Sub-Total (Distribution and General Plant –BLCI)</b>	<b>37,221,367</b>	<b>51,617,558</b>
<b>II. CUSTOMERS DEPOSIT-FUNDED</b>		
Distribution Plant		
Line Transformers	6,265,998	6,579,298
Poles, O.H. Conductors & Devices	2,950,015	3,097,516
<b>Sub-Total (Distribution Plant – Customers’ Deposit)</b>	<b>9,216,013</b>	<b>9,676,814</b>
<b>Total</b>	<b>46,437,380</b>	<b>61,294,372</b>

4. BLCI submits the annexes attached hereto and described below in compliance with the requirements for each proposed CAPEX project as required under Section 3.2, Article III of the Rules.

<b>ANNEX</b>	<b>DESCRIPTION</b>
<b>A</b>	Details of BLCI Proposed CAPEX Projects CY2018 & CY2019
<b>B</b>	Proposed CAPEX Projects & Feeder Maps
<b>C</b>	Gantt Chart of Proposed CAPEX Projects CY2018 & CY2019
<b>D</b>	Summary of Results of Forecasting Models, Validity and Accuracy Test

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<b>E</b>	Capacity Performance Table
<b>F</b>	Updated Fault Level Data of BLCI Load End SS from NGCP
<b>G</b>	Wire Sizing and Economic Analysis
<b>H</b>	Technical Simulation Backbone Line Projects
<b>I</b>	Financial Analysis
<b>J</b>	BLCI Distribution Development Plan (DDP)
<b>K</b>	Distribution Transformer Economic Analysis
<b>L</b>	Primary Line Economic Analysis
<b>M-1</b>	CAPEX Application Book 1 (Network Projects and Its Technical Descriptions and Justifications)
<b>M-2</b>	CAPEX Application Book 2 (Other Network and Non-Network Projects and Its Technical Descriptions and Justifications)
<b>N</b>	Secretary's Certificate
<b>O</b>	Judicial Affidavit of Engr. Eulogio M. Signe

5. The annexes, and other supporting documents provide, among other things, the following information: (a) System Performance Assessment and Planning Process; (b) Major Project Description; (c) Project Cost Estimates; (d) Technical Analysis; (e) Economic Analysis; (f) Project Schedule; and (g) BLCI Distribution Development Plan.

6. The proposed projects are indispensable to meet the increasing demand and increasing number of consumers of BLCI. Thus, BLCI recognizes the immediate need to increase substation and feeder capacities, as well as the need for additional distribution transformers, kWh meters, wires, and other related equipment in the distribution system.

7. Moreover, the proposed projects directly aim to address safety, capacity, efficiency, security and enhance further the reduction of system loss, reliability and power quality in the distribution network. The proposed projects are the outcome of ERC's CAPEX Planning Process and are consistent with BLCI's Distribution Development Plan (DDP), the Philippine Grid Code, the Philippine Distribution Code, and other relevant government issuances.

8. Pursuant to Rule 20 of the ERC Rules of Practice and Procedure, BLCI submits the Judicial Affidavit of Engr. Eulogio M. Signe in support of its motion for a Provisional Authority to immediately implement the proposed projects.

9. The issuance of a Provisional Authority will ensure BLCI's timely compliance with its CAPEX program considering the arduous preparations needed and the works involved in the implementation of the proposed projects.

**RELIEF**

BLCI prays that the Honorable Commission (a) APPROVE its capital expenditure program for CYs 2018 and 2019 consisting of the above proposed projects, (b) ISSUE a Provisional Authority to immediately implement the proposed projects pending final resolution of this application, (c) GRANT final authority to BLCI to

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implement, construct, own, and operate the proposed projects, and  
(d) GRANT BLCI other 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 **23 May 2018 at two o'clock in the afternoon (2:00 P.M.), at BLCI's principal office, BLCI Building, Ramon Enorio Street, Tagbilaran City, Bohol.**

Accordingly, BLCI 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, City Mayor, 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

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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, 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 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.

BLCI 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.

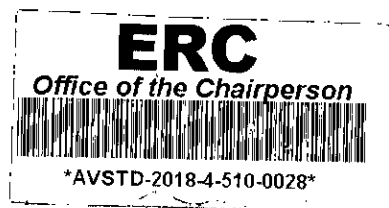
**SO ORDERED.**

Pasig City, 10 April 2018.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

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

  
LS/SLAN/KTB/APV



COPY FURNISHED:

1. Bohol Light Company, Inc. (BLCI)  
*Applicant*  
BLCI Building, Ramon Enorio Street, Tagbilaran City, Province of Bohol
2. Atty. Remegio Michael A. Ancheta II and Atty. Mishelle Anne R. Rubio-Aguinaldo  
*Counsel for Applicant BLCI*  
Suite 2404 Civic Drive, Filinvest Corporate City, Alabang, Muntinlupa City 1781
3. Office of the Mayor  
City of Tagbilaran
4. Office of the LGU legislative body  
City of Tagbilaran
5. Office of the Governor  
Province of Bohol
6. Office of the LGU legislative body  
Province of Bohol



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7. Office of the Solicitor General (OSG)  
134 Amorsolo Street, Legaspi Village, Makati City
8. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City
9. Senate Committee on Energy  
GSIS Building, Roxas Boulevard, Pasay City
10. House of Representatives Committee on Energy  
Batasan Hills, Quezon City
11. Philippine Chamber of Commerce and Industry (PCCI)  
3<sup>rd</sup> Floor, Chamber and Industry Plaza  
1030 Campus Avenue corner Park Avenue  
McKinley Town Center, Fort Bonifacio, Taguig City
12. Regulatory Operations Service (ROS)  
[Standards and Compliance Monitoring Division (SCMD)]  
17<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City

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