

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. 2018-008 MC

**PANAY ELECTRIC
COMPANY, INC. (PECO),
Applicant.**

X-----X

D O C K E T E D
Date: JUL 04 2018
By: _____

ORDER

On 23 May 2018, an *Application* dated 21 May 2018 was filed by applicant Panay Electric Company, Inc. (PECO), seeking the Commission's approval of the renewal of its Certificate of Public Convenience and Necessity (CPCN).

PECO alleged the following in its *Application*:

1. PECO is a Filipino corporation duly organized and existing under Philippine laws with principal office address at 23 General Luna Street, Iloilo City, Philippines. It may be served with processes and papers through the undersigned counsel.

2. Republic Act (RA) No. 5360 granted PECO 25-year franchise to construct, maintain, and operate an electric light, heat and power system in the City of Iloilo, Santa Barbara, and Pavia. During Martial Law, service over Santa Barbara and Pavia were turned over to the Iloilo I Electric Cooperative, Inc. while PECO continued to provide service to Iloilo City.

3. On 31 May 1996, the Energy Regulatory Board (now Energy Regulatory Commission) issued a Decision extending PECO's Certificate of Public Convenience and Necessity (CPCN) for a period of 25 years from May 25, 1994 or until May 25, 2019.

4. Pursuant to Section 4, Article II, of Resolution No. 5, Series of 2008 entitled: "A Resolution Adopting the Rules to Govern the Issuance of Certificate of Public Convenience and Necessity (CPCN) to Entities Engaged in the Transmission and Distribution of Electricity", the application for the renewal of a CPCN shall be filed one (1) year before its expiration. As such, this application is seasonably filed.

5. PECO 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. 5, Series of 2008.

6. In support of this application, PECO submits copies of the following documents which are made integral parts hereof:

DESCRIPTION	ATTACHMENT
RA No. 5360	1
Energy Regulatory Board (now ERC) Decision dated 31 May 1996	2
General Information Sheet (latest)	3
Certificate of Incorporation	4
Articles of Incorporation	5
By-Laws	6
Franchise Area Coverage	7
Total Number of Energized Barangays	8
Total Number of Unenergized Barangays	9
Statement of Adoption of Previously Submitted Utility Practices and Procedures	10
Statement of Effective Tariff	11
List of Names and Addresses of Additional Personnel Responsible for the Design, Installation, Maintenance, and Repair of the Distribution System	12
Updated Information Re: Power Supply and Contracted Demand and Energy	13
Single Line Diagram of the Distribution System	14
Statement of Compliance with Technical Requirements	15
Pole Rental Agreement with International Communications Corporation	16
Audited Financial Statements (latest)	17
Annual Report to the ERC for the Period Ending 31 December 2017 (relevant pages)	18

7. PECO 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 PECO prays for the renewal of its CPCN for a term coterminous with its franchise.

PECO also prays for equitable relief.

Finding the said Application to be 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 **6 September 2018 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, PECO 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 City Mayor and the Local Government Unit (LGU) legislative body 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 Mayor and LGU legislative body 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.

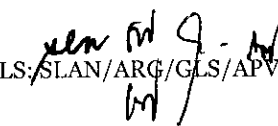
PECO must also be prepared to make an expository presentation of the instant Application, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, what the Application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

SO ORDERED.

Pasig City, 18 June 2018.

FOR AND BY AUTHORITY
OF THE COMMISSION:


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Commissioner


LS:SLAN/ARG/GLS/APV

COPY FURNISHED:

1. Panay Electric Company, Inc. (PECO)
Applicant
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2. Atty. Pablo John F. Garcia and Atty. Archie B. Puspus
Counsel for Applicant PECO
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Cebu Business Park, Cebu City, 6000
3. Office of the Mayor
City of Iloilo
4. Office of the LGU legislative body
City of Iloilo
5. Office of the Solicitor General
134 Amorsolo Street, Legaspi Village, Makati City
6. Commission on Audit (COA)
Commonwealth Avenue, Quezon City
7. Senate Committee on Energy
GSIS Bldg. Roxas Blvd., Pasay City
8. House Committee on Energy
Batasan Hills, Quezon City

9. Philippine Chamber of Commerce and Industry (PCCI)
3rd Floor, Chamber and Industry Plaza (CIP),
1030 Campus Avenue corner Park Avenue,
McKinley Town Center, Fort Bonifacio, Taguig City

10. Regulatory Operations Service (ROS)
[Standards and Compliance Monitoring Division (SCMD)]
17th Floor, Pacific Center Bldg., San Miguel Avenue, Pasig City