

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



**IN THE MATTER OF THE
APPLICATION FOR THE
APPROVAL OF THE SALE
OF VARIOUS SUB-
TRANSMISSION
LINES/ASSETS OF THE
NATIONAL TRANSMISSION
CORPORATION (TRANSCO)
TO CEBU I ELECTRIC
COOPERATIVE, INC.
(CEBECO I), AS COVERED
BY A CONTRACT TO SELL
DATED 25 SEPTEMBER
2019**

ERC CASE NO. 2019-094 RC

**NATIONAL TRANSMISSION
CORPORATION (TRANSCO)
AND CEBU I ELECTRIC
COOPERATIVE, INC.
(CEBECO I),**

Applicant.

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Promulgated:
February 17, 2021

ORDER

On 20 December 2019, National Transmission Corporation (TRANSCO) and Cebu I Electric Cooperative, Inc. (CEBECO I) filed an *Application* dated 21 November 2019, seeking the Commission's authority to approve the sale of various sub-transmission lines/assets of TRANSCO to CEBECO I as covered by a Contract to Sell dated 25 September 2019.

In the *Order* dated 20 December 2019, the Commission has set the instant *Application* for the determination of compliance with the jurisdictional requirements, expository presentation, pre-trial conference, and presentation of evidence on 19 February 2020 at CEBECO I's principal office.

However, due to the public health emergency brought about by the coronavirus disease 2019 (COVID-19), the Commission deemed it necessary, as a precautionary measure, to cancel all out-of-town hearings for the months of February and March 2020.

In view thereof, the Commission, in its *Order* dated 18 February 2020, cancelled the hearing set for the instant *Application* on 19 February 2020 until further notice. In the same *Order*, the Commission, directed TRANSCO and CEBECO I to comply with the following:

In the event that the Applicant has already completed the publication and posting of notice requirements pursuant to the *Order* dated 20 December 2019, it is hereby **DIRECTED** to submit, **within ten (10) days** from receipt of this *Order*, its *Compliance*, subject to the Commission's verification. On the other hand, the Applicant is hereby **DIRECTED** to submit within the same period of **ten (10) days** from receipt of this *Order*, a *Manifestation*, in lieu of the *Compliance*, if no publication or posting of notice has been made.

Thereafter, the Commission will issue a new *Order* and *Notice of Public Hearing* of the next scheduled hearing.

On 17 February 2020, TRANSCO filed a *Partial Compliance with the Jurisdictional Requirements* dated 13 February 2020.

Further, on 10 March 2020, TRANSCO and CEBECO I submitted their *Compliance with Jurisdictional Requirements* dated 06 March 2020 and attached thereto the publication and certificates of posting pursuant to the directives of the Commission in its *Order* dated 18 February 2020.

Subsequently, the Commission, in its *Order* and *Notice of Virtual Hearing*, both dated 11 August 2020, set the instant *Application* for the determination of compliance with the compliance with the jurisdictional requirements, expository presentation, pre-trial conference and presentation of evidence on 24 September 2020.

During the 24 September 2020 hearing, the following entered their respective appearances: a) Atty. Donna Caloza-Aleria and Atty. Anne Rose de Guia for TRANSCO; b) Atty. Alan Byrne Gaviola for CEBECO I; and c) Atty. Rich Almario for the National Grid Corporation of the Philippines (NGCP).

In the said hearing, the Commission noted the following pleadings:

1. *Urgent Motion for Resetting* dated 28 August 2020 filed through electronic mail¹ (e-mail) by TRANSCO and CEBECO I on 02 September 2020; and
2. *Petition for Intervention* and *Pre-trial Brief*, both dated 11 September 2020, filed through e-mail² by the National Grid Corporation of the Philippines (NGCP) on 16 September 2020.

Thereafter, TRANSCO manifested that it will no longer file a comment on NGCP's *Petition for Intervention*. On the other hand, CEBECO I reserved its right to file its comment thereon. The Commission then directed CEBECO I to file its comment on NGCP's *Petition for Intervention* within fifteen (15) days from the date of the hearing. On the other hand, NGCP was given fifteen (15) days from receipt of CEBECO I's comment to file its reply. Lastly, CEBECO I was given twenty (20) days from receipt of NGCP's reply to file its rejoinder.

Subsequently, CEBECO I and TRANSCO moved for the resetting of the hearing for the instant *Application* considering the public health hazard brought about by the coronavirus disease 2019 (COVID-19). Finding Applicants' motion in order, the Commission granted the same and ruled that an *Order* for the resetting of the hearing shall be issued.

On 30 September 2020, TRANSCO filed a *Compliance to the 24 September 2020 Order*.

On 09 October 2020, CEBECO I filed via e-mail its *Comments (On the Petition for Intervention submitted by the National Grid Corporation of the Philippines)*.

IN VIEW OF THE FOREGOING, the Commission hereby sets the instant *Application* for the determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and

¹ Applicants' Urgent Motion for Resetting was sent via electronic mail (email) to the official email address of the Commission's Central Records Division (CRD) at records.erc.gov.ph@gmail.com;

² NGCP's Petition for Intervention was sent via electronic mail (email) to the official email address of the Commission's Central Records Division (CRD) at records.erc.gov.ph@gmail.com;

online platform for the conduct thereof, pursuant to Resolution No. 093, Series of 2020 dated 24 September 2020:

| Date | Platform | Activity |
|---|------------------------|--|
| 13 April 2021 (Tuesday) at nine o'clock in the morning (9:00 A.M.) | Microsoft Teams | Determination of compliance with jurisdictional requirements and expository presentation |
| 20 April 2021 (Tuesday) at nine o'clock in the morning (9:00 A.M.) | Microsoft Teams | Pre-Trial Conference and Presentation of Evidence |

RELATIVE THERETO, the Commission hereby directs TRANSCO and CEBECO I to host the virtual hearing at **CEBECO I's Principal Office at Bitoon, Dumanjug, Cebu City**, as the designated venue for the conduct thereof, and ensure that the same is open to the public and the community quarantine guidelines are observed at all times. Moreover, TRANSCO and CEBECO I shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

CEBECO I and TRANSCO are hereby directed to serve, by any mode of delivery, the copies of this *Order* and the attached *Notice of Virtual Hearing* to the following offices in order that they may be informed of the scheduled virtual hearing of the instant *Application*:

- 1) Offices of the Provincial Governor, the City and Municipal Mayors, and the Local Government Unit (LGU) legislative bodies within CEBECO I's franchise area; and
- 2) Offices of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress.

Likewise, CEBECO I and TRANSCO are hereby directed to inform the consumers within CEBECO I's franchise area, by any other means available and appropriate, of the new scheduled virtual hearing of the instant *Application*.

³ Entitled: "A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission".

Within five (5) calendar days prior to the date of the virtual hearing, CEBECO I and TRANSCO must submit to the Commission via electronic mail (e-mail) at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, their written compliance to the aforementioned directives by attaching therewith, methodically arranged and duly marked, the following:

- 1) Proof of service of the *Order* and the attached *Notice of Virtual Hearing* to the aforementioned Governor, Mayors, and LGU legislative bodies;
- 2) Proof of service of the copies of this *Order* and the attached *Notice of Virtual Hearing* to the OSG, COA, and the Committees on Energy of both Houses of Congress; and
- 3) The evidence of other means employed by CEBECO I and TRANSCO to inform the consumers of the new scheduled hearing of the instant *Application*.

Moreover, CEBECO I and TRANSCO are hereby required to post on their bulletin boards, the scanned copies of the jurisdictional requirements, together with the newspaper publication/s and certifications issued by the concerned Office of the Mayors, or Provincial Governor and Local Legislative Bodies, which were attached to Applicants' *Partial Compliance with the Jurisdictional Requirements* dated 13 February 2020 and *Compliance with Jurisdictional Requirements* dated 06 March 2020, as well as the foregoing additional jurisdictional requirements, and to submit proof of their posting thereof.

CEBECO I and TRANSCO and all interested parties are also required to submit to the Commission via electronic mail (e-mail) at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days before the date of the scheduled virtual 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, which should also be attached to the Pre-trial Brief; and

- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

CEBECO I and TRANSCO must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission at least five (5) calendar days before the date of the scheduled initial virtual hearing and Pre-trial Conference pursuant to the preceding paragraph.

Failure of CEBECO I and TRANSCO 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.

CEBECO I and TRANSCO are hereby directed to file a copy of its Expository Presentation via e-mail at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days prior to the scheduled virtual hearing. CEBECO I and TRANSCO shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, at least five (5) calendar days prior to the scheduled virtual hearing.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via e-mail at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

CEBECO I and TRANSCO are hereby directed to submit, either through personal service, registered or ordinary mail/private courier, one (1) set of the original or certified true hard/printed copy/ies of their Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavit/s of witness/es, within five (5) working days from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission. Similarly, all interested parties who filed their Petition for Intervention or Opposition are required to submit the hard/printed copy thereof within the same period through any of the available modes of service.

Finally, CEBECO I and TRANSCO, including their authorized representative/s and witness/es, are hereby directed to provide the Commission, thru legal.virtualhearings@erc.ph, with their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.


SO ORDERED.

Pasig City, 08 February 2021.

FOR AND BY AUTHORITY
OF THE COMMISSION:




AGNES VST DEVANADERA
Chairperson and CEO


LS: MVM/LSP/MCCG

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Copy furnished:

1. National Transmission Commission (TRANSCO)
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7. Local Government Unit (LGU) legislative body
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8. Office of the Municipal Mayor
Barili, Cebu
9. Local Government Unit (LGU) legislative body
Barili, Cebu
10. Office of the Municipal Mayor
Dumanjug, Cebu
11. Local Government Unit (LGU) legislative body
Dumanjug, Cebu
12. Office of the Municipal Mayor
Ronda, Cebu
13. Local Government Unit (LGU) legislative body
Ronda, Cebu
14. Office of the Municipal Mayor
Alcantara, Cebu
15. Local Government Unit (LGU) legislative body
Alcantara, Cebu
16. Office of the Municipal Mayor
Moalboal, Cebu

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17. Local Government Unit (LGU) legislative body
Moalboal, Cebu
18. Office of the Municipal Mayor
Badian, Cebu
19. Local Government Unit (LGU) legislative body
Badian, Cebu
20. Office of the Municipal Mayor
Alegria, Cebu
21. Local Government Unit (LGU) legislative body
Alegria, Cebu
22. Office of the Municipal Mayor
Malabuyoc, Cebu
23. Local Government Unit (LGU) legislative body
Malabuyoc, Cebu
24. Office of the Municipal Mayor
Ginatilan, Cebu
25. Local Government Unit (LGU) legislative body
Ginatilan, Cebu
26. Office of the Municipal Mayor
Samboan, Cebu
27. Local Government Unit (LGU) legislative body
Samboan, Cebu
28. Office of the Municipal Mayor
Santander, Cebu
29. Local Government Unit (LGU) legislative body
Santander, Cebu
30. Office of the Municipal Mayor
Sibonga, Cebu
31. Local Government Unit (LGU) legislative body
Sibonga, Cebu
32. Office of the Municipal Mayor
Argao, Cebu
33. Local Government Unit (LGU) legislative body
Argao, Cebu
34. Office of the Municipal Mayor
Dalaguete, Cebu
35. Local Government Unit (LGU) legislative body
Dalaguete, Cebu
36. Office of the Municipal Mayor
Alcoy, Cebu
37. Local Government Unit (LGU) legislative body
Alcoy, Cebu
38. Office of the Municipal Mayor
Boljo-on, Cebu

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39. Local Government Unit (LGU) legislative body
Boljo-on, Cebu
40. Office of the Municipal Mayor
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41. Local Government Unit (LGU) legislative body
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