

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



**IN THE MATTER OF
THE APPLICATION FOR THE
ISSUANCE OF A CERTIFICATE
OF PUBLIC CONVENIENCE
AND NECESSITY (CPCN) FOR
THE OPERATION OF ELECTRIC
DISTRIBUTION SYSTEM FOR
COTABATO ELECTRIC
COOPERATIVE, INC.-PPALMA
(COTELCO-PPALMA), WITH
PRAYER FOR PROVISIONAL
AUTHORITY**

ERC CASE NO. 2019-028 MC

**COTABATO ELECTRIC
COOPERATIVE, INC. - PPALMA
(COTELCO-PPALMA),
Applicant.**

Promulgated:
DEC 02 2019

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NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 24 October 2019, the Cotabato Electric Cooperative, Inc. – PPALMA (COTELCO-PPALMA), filed an *Application* dated 11 July 2019, seeking the Commission's issuance of a Certificate of Public Convenience and Necessity (CPCN) for it to operate an electric distribution system in its franchise area.

The pertinent provisions of the said *Application* are hereunder quoted as follows:

1. COTELCO-PPALMA, is a non-stock, non-profit membership electric cooperative, duly organized and existing under the Philippine law, with principal office address at the Municipality of Midsayap, Province of Cotabato;

2. On 17 April 2019, Republic Act (R.A.) No. 11322 entitled, "**AN ACT GRANTING A LEGISLATIVE FRANCHISE TO COTABATO ELECTRIC COOPERATIVE, INC.-PPALMA (COTELCO-PPALMA) TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN A DISTRIBUTION SYSTEM FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END USERS IN THE MUNICIPALITIES OF PIKIT, PIGCAWAYAN, ALEOSAN, LIBUNGAN, MIDSAYAP AND ALAMADA, PROVINCE OF COTABATO, AND ITS NEIGHBORING SUBURBS**", was enacted into law;
3. R.A. No. 11322 granted COTELCO-PPALMA a franchise to construct, install, establish, operate and maintain a distribution system for the conveyance of electric power to the end users in the Municipalities of Pikit, Pigcawayan, Aleosan, Libungan, Midsayap, and Alamada, Province of Cotabato, and its neighboring suburbs for a period of twenty-five (25) years;
4. The instant application is filed pursuant to Commonwealth Act No. 146, as amended, R.A. No. 9136, as amended, other applicable laws and ERC 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;*"
5. In support of this Application, COTELCO-PPALMA submits the following documents:

DESCRIPTION	Annex¹
R.A. No. 11322	A
List of Key Management Officials	B
Articles of Incorporation of COTELCO-PPALMA	C
By-Laws of COTELCO-PPALMA	D
Number of Energized & Unenergized Barangay	E
Single Line Diagram	F
Map of Franchise Area Coverage	G
Financial Report	H
ERC Decision dated 22 August 2017	I
Barangay Sitio Electrification Program (BSEP)	J
Household Form as of 31 December 2018	K
Historical Data	L
Financial & Statistical Report for 2017 to 2032	M
Distribution Development Plan (DDP)	N

6. The foregoing documents confirm that COTELCO-PPALMA possesses all the requisite legal qualifications, technical and

¹ All of the marked Annexes have their respective submarkings;

financial capabilities for the grant of a CPCN to construct, own, operate and maintain an electric distribution system within its franchise area;

7. The foregoing allegations are hereby re-pleaded to support COTELCO-PPALMA's prayer for the issuance of provisional authority to charge its consumers its current distribution rates;
8. Furthermore, pending the grant/confirmation of the aforesaid legislative franchise and approval of this Application, COTELCO PPALMA has been authorized to operate as a Distribution Utility (DU) in some parts (now its franchise area) of Cotabato Electric Cooperative, Inc.'s (COTELCO's) franchise area while utilizing the latter's approved distribution rates. Thus, in order to not disrupt the Applicant's current operations and to not amass under recovery of distribution rates to the great detriment of its current and future member-consumers, it is respectfully prayed that provisional be granted to COTELCO PPALMA to authorize the utilization of its current distribution rates pending the approval of the instant Application; and
9. To further validate the foregoing disquisitions, the Affidavit of Merit of COTELCO PPALMA's General Manager, Felix Canja Jr., is also herein attached and made as an integral part of this Application as Annex "O".

WHEREFORE, premises considered, COTELCO-PPALMA respectfully prays to this Honorable Commission, that:

- (1) Pending hearing and evaluation on the merits of this Application, a provisional CPCN be issued to COTELCO-PPALMA authorizing it to continue current operations and charge its member-consumers COTELCO's approved distribution rates;
- (2) Ultimately, a Decision be issued **GRANTING** COTELCO PPALMA a CPCN to construct, install, establish, operate and maintain a distribution system for the conveyance of electric power to the end users in the Municipalities of Pikit, Pigcawayan, Aleosan, Libungan, Midsayap, and Alamada, Province of Cotabato, and its neighboring suburbs for a term coterminous with its legislative franchise; and
- (3) Other reliefs just and equitable under the premises are likewise prayed for.

The Commission has set the *Application* for determination of compliance with the jurisdictional requirements, expository presentation, pre-trial conference, and presentation of evidence on **07 January 2020 (Tuesday) 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.**

All persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission a verified Petition to Intervene at least five (5) days prior to the initial hearing and subject to the requirements under Rule 9 of the 2006 ERC Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name and address;
- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and
- 3) A statement of the relief desired.


All other persons who may want their views known to the Commission with respect to the subject matter of the case may file their Opposition or Comment thereon at any stage of the proceeding before Applicant rests its case, subject to the requirements under Rule 9 of the 2006 ERC Rules of Practice and Procedure. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name and address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All such persons who wish to have a copy of the *Application* may request from Applicant that they be furnished with the same, prior to the date of the initial hearing. Applicant is hereby directed to furnish all those making such request with copies of the *Application* and its attachments, subject to the reimbursement of reasonable photocopying costs. Any such person may likewise examine the *Application* and other pertinent records filed with the Commission during the standard office hours.

WITNESS, the Honorable Chairperson and CEO **AGNES VST DEVANADERA**, and the Honorable Commissioners **ALEXIS M. LUMBATAN**, **CATHERINE P. MACEDA**, and **PAUL**

CHRISTIAN M. CERVANTES, Energy Regulatory Commission,
this 21st day of November 2019 in Pasig City.


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Oversight Commissioner for Legal 

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