

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

IN THE MATTER OF THE  
APPLICATION FOR APPROVAL OF  
EMERGENCY CAPITAL PROJECT  
FOR CALENDAR YEAR 2017 WITH  
PRAYER FOR PROVISIONAL  
AUTHORITY

ERC CASE NO. \_\_\_\_\_

MACTAN ELECTRIC COMPANY,  
INC. (MECO),

Applicant.

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### **APPLICATION**

Applicant MACTAN ELECTRIC COMPANY, INC. (MECO), by counsel, respectfully states:

1. MECO is a corporation duly organized and existing under Philippine laws, with principal address at MECO Building, Sangi Road, Pajo, Lapu-Lapu City. It has franchise and Certificate of Public Convenience and Necessity as a distribution utility to operate the electric light and power distribution service in Lapu-Lapu City and in the Municipality of Cordova.

2. Pursuant to ERC Resolution No. 26, Series of 2009 (Amended Rules for the Approval of Regulated Entities' Capital Projects), MECO files this application for an emergency capital expenditure (CAPEX) project to be implemented this calendar year 2017 in order to rectify an overloaded sub-transmission line.

3. The project affects the NGCP/TRANSCO GIS-Feeder #1, which has a total length of 2.682 km consisting of a 1.457 km of 795 MCM wire size owned by MECO and a 1.225 km of 336 MCM owned by TRANSCO or the National Transmission Corporation. A segment of 336 MCM is overloaded and the project will rectify the said overloaded segment *en route* to the EAUC sub-transmission line in order to avoid further MLD (Manual Load Dropping) instructions from NGCP or the National Grid Corporation of the Philippines.

4. The said overloading and the corresponding MLD instructions cause frequent power service interruptions to the extreme inconvenience and prejudice of consumers which prompted MECO to implement this emergency project pursuant to Resolution No. 26, Series of 2009 or the *Resolution Amending the Rules for Approval of Regulated Entities' Capital Expenditure Projects*.

5. The project has a Cost Estimate of **Php6,627,767.67** to be sourced from MECO's internally generated funds.

6. The project has an Estimated Rate Impact of **Php0.015483/kWh**.

7. Other details of the project appear in **Annex A** hereof, which provide the following information: (a) Project Details; (b) Project Classification; (c) Project Need; (d) Project Cost Estimate (with breakdown); (e) Qualitative Performance Measures; (f) Quantitative Performance Measures; (g) the three options that were considered to address the overloading (with photos); (h) Analysis and Conclusion of the Project; and (i) some of the Demand Control Imminent Warnings issued by NGCP.

8. The project will help MECO provide continuous, reliable, and efficient power supply to its consumers.

9. Pursuant to Rule 20 of the ERC Rules of Practice and Procedure, MECO submits the Judicial Affidavit of Engr. Gilbert A. Pagobo (**Annex B**) in support of its motion for a Provisional Authority to immediately implement the project.

10. The issuance of a Provisional Authority is justified considering the extreme urgency to immediately address the said overloading and frequent power service interruptions.


### **RELIEF**


MECO prays that the Honorable Commission (a) APPROVE the emergency CAPEX project, (b) ISSUE a Provisional Authority to immediately implement the project pending final resolution of this application, (c) GRANT final authority to MECO to implement, construct, own, and operate the project, and (d) GRANT MECO other equitable relief.

Muntinlupa City for Pasig City, December 7, 2017.

**ANCHETA & ASSOCIATES**  
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By:

  
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MCLE Compliance No. V-0023307; valid until 04.14.19

  
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IBP Lifetime Roll No. 014910; PPLM  
Roll of Attorneys No. 65873  
MCLE Exempted  
(MCLE Governing Board Order No. 1, S. 2008)

**COPY FURNISHED:**

1. OFFICE OF THE GOVERNOR  
Province of Cebu
2. OFFICE OF THE SANGGUNIANG PANLALAWIGAN  
Province of Cebu
3. OFFICE OF THE MAYOR  
City of Lapu-Lapu, Cebu
4. OFFICE OF THE SANGGUNIANG PANLUNGSOD  
City of Lapu-Lapu
5. OFFICE OF THE MUNICIPAL MAYOR  
Municipality of Cordova, Cebu
6. OFFICE OF THE SANGGUNIANG BAYAN  
Municipality of Cordova, Cebu

*Verification and Certification ...*

**VERIFICATION AND CERTIFICATION  
AGAINST FORUM SHOPPING**

I, GILBERT A. PAGOBO, of legal age, Filipino, with business address at MECO Building, Sangi Road, Lapu-Lapu City, Cebu, state under oath that:

1. I am the authorized representative of Mactan Electric Company, Inc. (MECO) in this application for approval of emergency capital expenditure project for CY 2017 as shown by the attached Secretary's Certificate. In such capacity, I caused the preparation of this application, the contents of which are true and correct based on my personal knowledge or on authentic records at hand.

2. MECO and I have not commenced any action or filed any claim involving the same issues in the present application in any court, tribunal, or quasi-judicial agency, and to the best of my knowledge, there is no such other action or claim pending therein involving the same issues.

3. If I should later learn that the same or similar action or claim has been filed or is pending, I shall report it to the Energy Regulatory Commission within five (5) days from learning.

  
**GILBERT A. PAGOBO**  
Affiant

SUBSCRIBED AND SWORN to before me this December 7, 2017, affiant exhibiting to me his Philippine Driver's License with No. 606-92-019177, bearing his photograph and signature.

Doc. No. 209 ;  
Page No. 43 ;  
Book No. 6 ;  
Series of 2017.

  
**JANICE P. MONTEROLA**  
Notary Public for Lapu-Lapu City  
Notary Commission No. 445-L  
Exp. December 31, 2018  
114 Corchis Sr., St., Gun-ob, Lapu-Lapu City  
Roll of Attorneys No. 58922 04.15.11  
ICP Lifetime Member No. 012685  
PTR No. 1320951 01.03.17