

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

IN THE MATTER OF THE
APPLICATION FOR THE
APPROVAL OF ACMAC
SWITCHING STATION -
PROTECTION AND
METERING AND LINES
(PILMICO FOODS CORP. 69
kV OUTGOING LINES)
CAPITAL EXPENDITURE
(CAPEX) PROJECT AND ITS
CORRESPONDING CHARGES,

ERC CASE NO. _____ RC

ILIGAN LIGHT & POWER,
INC. (ILPI),

Applicant.

x-----x

APPLICATION

Applicant, ILIGAN LIGHT & POWER, INC. (ILPI), through undersigned office, unto this Honorable Commission most respectfully states, that:

1. ILPI is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Bro. Jeffrey Road, Pala-o, Iligan City where it may be served with summons and other legal processes;
2. It is the holder of an exclusive franchise issued by the Congress of the Philippines to operate electric light and power distribution service in the City of Iligan, Province of Lanao del Norte;

3. Pursuant to Commission's Resolution No. 17, Series of 2011 entitled, "Resolution Adopting the Investor Owned Electric Distribution Utility Planning Manual," Resolution No. 26, Series of 2009 entitled, "Resolution Amending the Rules for Approval of Regulated Entities' Capital Expenditure Projects," Resolution No. 20, Series of 2008 entitled, "Resolution Modifying the Rules for Setting Distribution Wheeling Rates for Privately Owned Distribution Utilities Entering Performance Based Regulation (RDWR)," Resolution No. 13, Series of 2006 entitled, "Guidelines to Govern the Submission, Evaluation and Approval of Electric Distribution Capital Projects," and other applicable laws and rules, this Application is submitted and filed for the consideration and approval of this Honorable Commission;

4. Under the Honorable Commission's *Performance-Based Regulation (PBR)*, ILPI is part of the Second Entry Point Group B that entered the PBR regime on April 1, 2009;

5. Inasmuch as the Honorable Commission has yet to issue the relevant rules for the reset process (*Third Regulatory Period covering April 1, 2013 to March 31, 2017*) for the subsequent filing of ILPI's reset application and considering that for purposes of recovering the capital costs of the project through power rates, the same shall require the evaluation and approval of the Honorable Commission. Thus, Applicant caused the preparation, submission and filing of this Application for the approval of ILPI's *Acmac Switching Station – Protection and Metering and Lines (PILMICO Foods Corp. 69 kV Outgoing Lines) Capital Expenditure (CAPEX) Project and corresponding charges and effectivity to PILMICO Foods Corp.*, summarized hereunder, as follows:

| | |
|----------------------|--|
| Project Title | Acmac Switching Station – Protection and Metering and Lines (PILMICO Foods Corporation 69 kV Outgoing Lines) CAPEX Project |
| Project Cost | PhP 12,647,408.95, VAT Inclusive PhP 11,292,329.42, VAT Exclusive |

| | |
|---|--|
| Applicable Charges and its Effectivity | Distribution Charge: PhP 149,577.23 per month Metering Charge: PhP 8,853.17 per month Effectivity: December 6, 2015 and onwards |
| Project Duration | RY 2017 |

6. THE CAPEX PROJECT

The CAPEX Project aims to reroute the source of the newly acquired Kiwalan-Pilmico Foods Corporation (PFC) 69 kV lines/assets from the NGCP Grid to ILPI's Acmac Switching Station in order to avoid operational problems and instability issues. The project will include a 0.95 km. of the 69 kV line extension and installation of new metering and protection facility for PFC.

The CAPEX Project and its justifications are discussed in detail in ILPI's CAPEX Information Summary (CIS) together with all the necessary supporting data;

7. COMPLIANCE WITH DOCUMENTARY REQUIREMENTS

Finally, in order to facilitate the evaluation of the Application and in compliance with *Rule 20-C of the Commission's Rules of Practice and Procedure*, the following supporting documents are herein attached and made as an integral part of this Application:

| Annex | Title of Document |
|--------------|---|
| "A" | The Capital Expenditure (CAPEX) Information Summary |
| "B" | ILPI's 2017 Distribution Development Plan (DDP) |
| "C" | The Estimated Project Cost |
| "D" | Charges applicable to PILMICO Foods Corp. |
| "E" | The Economic Analysis |
| "F" | The Single Line Diagram |
| "G" | Secretary's Certificate approving the implementation of the CAPEX project and the filing of an application for its approval before the Honorable Commission |

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| "H" | Sworn Statement of ILPI's authorized representative that an application for approval from concerned government agencies/offices that may have interest in the proposed project has been filed or shall be filed, if applicable. |
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8. The *Acmac Switching Station – Protection and Metering and Lines (PILMICO Foods Corporation 69 kV Outgoing Lines) CAPEX Project* will ensure ILPI's continuous compliance with the standards set under the **Philippine Distribution Code (PDC)** and the **Philippine Grid Code (PGC)**.

P R A Y E R

WHEREFORE, premises considered, **ILIGAN LIGHT & POWER, INC., (ILPI)** most respectfully prays that, after due notice and hearing, the following be **APPROVED**:

1. *Acmac Switching Station - Protection and Metering and Lines (PILMICO Foods Corporation 69 kV Outgoing Lines) Capital Expenditure (CAPEX) Project;*
2. *Corresponding Charges applicable to PILMICO Foods Corporation; and*
3. *Effectivity of the aforementioned Charges.*

Other reliefs, just and equitable under the premises, are likewise prayed for.

Pasig City, Philippines, November __, 2018.

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VERIFICATION / CERTIFICATION

I, **RALPH B. CASIÑO**, of legal age, Filipino and with office address at Bro. Jeffrey Road, Pala-o, Iligan City, after having been duly sworn in accordance with law, hereby deposes and states: That –

1. I am the President of Iligan Light & Power, Inc. (ILPI), who had caused the preparation of the foregoing Application.


2. The allegations set forth therein are true and correct based on my own personal knowledge and/or on the authentic records of ILPI.

3. ILPI has not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other tribunal or agency; to the best of their knowledge, no such action or proceeding is pending in the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other tribunal or agency, which involve issues that may somehow be related to those in this Application; and that, if they should learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other tribunal or agency, they undertake to promptly inform this Honorable Court within five (5) days therefrom.


RALPH B. CASIÑO
Affiant

SUBSCRIBED AND SWORN to before me this 28th day of November 2018 at Iligan City. Affiant who is personally known to me, exhibited to me his Driver's License with License Number N03-70-011-19-9 issued at Iligan City on February 10, 2015, as competent evidence of identity.

Doc. No. 3300 ;
Page No. 100 ;
Book No. 5 ;
Series of 2018.


ATTY. CONCORDIO Y. BAGUIO
NOTARY PUBLIC
MY NOTARIAL COMMISSION EXPIRES ON 12/31/2018
PTR No. 792598 ISSUED ON JANUARY 4, 2018
LIFETIME IBP No. 02115/ROLL OF ATTORNEYS No. 23454