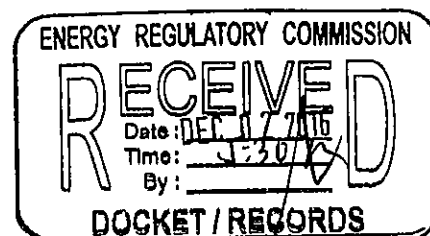


Republic of the Philippines
ENERGY REGULATORY COMMISSION
 San Miguel Avenue, Pasig City

IN THE MATTER OF THE
 APPLICATION FOR AUTHORITY
 TO RETIRE THE MAKATI
 SUBSTATION LOCATED AT
 BARANGAY STA. CRUZ,
 MAKATI CITY AND TO
 WITHDRAW FROM SERVICE
 CERTAIN EQUIPMENT AND
 MACHINERY INSTALLED IN
 SAID SUBSTATION, WITH
 PRAYER FOR PROVISIONAL
 AUTHORITY,



ERC CASE NO. 2016-193Re

MANILA ELECTRIC COMPANY
 (MERALCO),

Applicant.

X-----X

APPLICATION

Applicant **MANILA ELECTRIC COMPANY (MERALCO)**, by undersigned counsel, and to this Honorable Commission, most respectfully avers that:

1. Applicant is a private corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office located at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City. It may be served with notices and other processes of this Honorable Commission through its undersigned counsel at the address indicated herein.

2. Applicant has a legislative franchise to construct, operate and maintain an electric power distribution system for the conveyance of electric power to the end-users in the cities and municipalities of Metro Manila, Bulacan, Cavite and Rizal, and certain cities/municipalities/barangays in Batangas, Laguna, Quezon and Pampanga, pursuant to Republic Act No. 9209.

3. Applicant seeks for authority to retire the Makati Substation and withdraw certain equipment and machineries in said substation.

4. The instant Application is filed pursuant to following:

a. Distribution Services and Open Access Rules (DSOAR)

"1.7 No DU shall increase, substitute or withdraw from service any of its authorized equipment and machinery without the prior authority from the ERC, except in case of emergency whereby the ERC shall be notified not later than seventy-two (72) hours of such increase, substitution or withdrawal of authorized equipment. Provided, however, that the utility shall comply with the ERC's application for retirement."

b. Amendments to DSOAR

"1.7.1

xxx

The DU may increase, substitute or withdraw from service its authorized equipment and machinery in accordance with the Rules for Approval of Regulated Entities' Capital Expenditure Projects, RDWR and other ERC Rules. If such undertaking is not covered by the RDWR or other rules, authorization shall be secured from the ERC in accordance with pertinent provision of the Rules for Approval of Regulated Entities' Capital Expenditure Projects."

c. Decision dated December 1, 2010¹ in ERC Case No. 2009-118 MC² and Decision dated December 12, 2011³ in ERC Case No.2010-146 RC⁴

¹ Decision, page 9.

"A perusal of the evidence herein showed that the retirement of the Morong, Gaya –Gaya and Mauban substations and withdrawal of the equipment and machineries installed therein in the accordance with MERALCO's Conversion Program will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy– (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."

In both Decisions, the Honorable Commission ruled that, "A perusal of evidence showed that the retirement of substations and withdrawal of the equipment and machineries installed therein will redound to the benefit of the consumers in terms of reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."

BACKGROUND

5. The Makati Substation is located at corner Kakarong St. and Pablo Ocampo Sr. Avenue extension, Barangay Sta. Cruz, Makati City. The substation has one (1) 20 MVA, 34.5 kV - 6.24 kV power transformer bank and one (1) 15 MVA 34.5kV - 6.24 kV power transformer bank.

6. Makati Substation is one of the oldest MERALCO odd voltage substations (with voltage other than 34.5 kV or 13.8 kV) and has been in service for more than forty five (45) years.

7. Applicant has programmed the gradual conversion of odd- voltage systems (distribution system with voltages other than 34.5 kV or 13.8 kV) to the ultimate standardized 20 kV/34.5 kV (line-to-neutral/line to line) distribution voltage system within its franchise area. The voltage standardization will reduce technical system loss, improve flexibility and reliability of electric service by phasing out isolated odd voltage systems and minimize equipment inventory types. Applicant continuously implements the Odd-Voltage Conversion Program with the aim of having standard voltage systems for its entire franchise area.

² In the Matter of the Application for Authority to Retire the Morong Substation located at Morong, Province Rizal, the Gaya-Gaya Substation located as San Jose Del Monte, Province of Bulacan and the Mauban Substation located at Mauban, Province of Quezon and to Withdraw from Service Certain Equipment and Machinery Installed in the said Substations, with Prayer for Provisional Authority.

³ Decision, page 9.

A perusal of the evidence presented herein showed that the retirement of substations in Cavite, Lucena II, Pagbilao, Forbes Park and Tondo as well as the withdrawal of the equipment and machineries installed therein, will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power.)"

⁴ In the Matter of the Application for Authority to Retire (1) The Cavite Substation located at Cavite City, (2) The Lucena II Substation located at Lucena City, Quezon Province, (3) Pagbilao Substation located at Pagbilao, Quezon Province, (4) Forbes Park Substation

8. Hence, Applicant seeks authority from the Honorable Commission to retire the Makati Substation and withdraw from service the equipment and machinery installed therein in line with the said program.

9. With the retirement of the Makati Substation, the 6.24 kV loads will be transferred to 34.5 kV circuits New Rockwell 436VV, 424VV/425VV, Paco 416VY, Kamagong 48VK, 49VK and 51VK. The transfer of said loads will eliminate the redundant 34.5 kV-6.24 kV step-down stage.

10. The retirement of the said power transformer banks and the complete conversion to 34.5 kV of the circuits in the Makati Substation, will result in technical system loss reduction of approximately 939, 146 KWHR annually.

11. Currently, Makati Substation is part of Applicant's Regulatory Asset Base (RAB). Upon its retirement, some of the equipment and machinery will be reused for distribution services and others will be withdrawn from service. The total amount for equipment and machinery that will be withdrawn from service is Five Million Two Hundred Six Thousand One Hundred Seventy Eight Pesos, (**PhP 5,206,178**).

12. In further support of the Application, attached hereto are the following documents:

Annex "A" – Schematic Diagram showing the exact location of Makati Substation and pictures thereof.

Annex "B" – Detailed List of Equipment and Machinery to be re-used and/or retired in Makati Substation, with corresponding specifications and values.

Annex "C" – Load Simulation/study conducted on the effect of withdrawal from service of said equipment and machinery.

ISSUANCE OF PROVISIONAL AUTHORITY

13. The issuance of Provisional Authority is warranted under the circumstances considering that there is no reason to continue energizing the Makati substation as the loads thereof may be transferred to adjacent source circuits. More importantly, the conversion of the loads of Makati Substation to 34.5 kV will result in the reduction of technical system loss and improvement of the electric service by phasing out isolated odd-voltage system. The immediate retirement of Makati Substation is also necessary in preparation for the development of Makati 115 kV–34.5 kV GIS Substation in

RY2017 using the same lot. The development of the aforesaid GIS Substation is intended to augment capacity deficiency in Makati City by 2017.⁵

14. In further support of the Application and prayer for issuance of provisional authority, attached as **Annex "D"** is the Judicial Affidavit of Engr. Roberto D. Isip Jr., Manager of Applicant's Network Asset Planning Office.

PRAYER

WHEREFORE, it is respectfully prayed to this Honorable Commission that: (1) Application for Retirement of Makati Substation and withdrawal from service of equipment and machinery installed in said substation be APPROVED; and (2) Applicant be ALLOWED to re-use equipment in said substation that will not be retired.

Pending hearing, it is further prayed that a provisional authority be issued to Applicant.

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

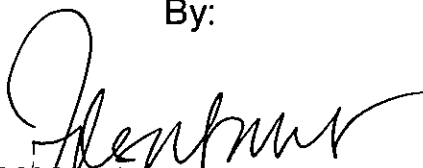
Pasig City, 10 November 2016.

MANILA ELECTRIC COMPANY

Applicant

Lopez Building, Ortigas Avenue,
Barangay Ugong, Pasig City

By:



FRANCIS DINO S. ANTONIO

Counsel for Applicant

Roll of Attorneys No. 48145

PTR No. 1473407; 01/21/16; Pasig City

IBP No. 1023724; 01/08/16; RSM

MCLE Compliance No. V-0004608; 6 November 2014

⁵ See Annex "B-6" of MERALCO's Application for Authority to Implement the Proposed Capital Expenditure Program for Regulatory Year (RY) 2017 with prayer for provisional authority, (ERC Case 2016-017 RC)


MONICA M. MARTIN
Counsel for Applicant

Roll of Attorneys No. 55693

PTR No. 1473411; 01/21/16; Pasig City

IBP No. 1023726; 01/08/16; RSM

MCLE Compliance No. V-0002591; 9 June 2014

7th Floor, Lopez Building

Ortigas Avenue, Barangay Ugong, Pasig City

Tel no. 1622-2260; Fax No: 1622-3550

Email: regulatory.legal.admin@meralco.com.ph

REPUBLIC OF THE PHILIPPINES }
CITY OF PASIG } S.S.

VERIFICATION
AND CERTIFICATION OF NON-FORUM SHOPPING

I, JOSE RONALD V. VALLES, Filipino, of legal age, married, with office address at 7th Floor, Lopez Building, MERALCO Compound, Ortigas Avenue, Pasig City, after being sworn in accordance with law, hereby depose and say that—

1. I am the Vice President and Head, Regulatory Affairs Office, of Applicant Manila Electric Company (MERALCO). In such capacity, I have caused the preparation and filing of the foregoing Application;

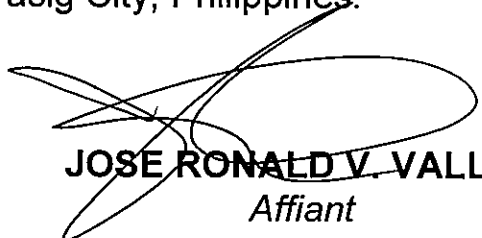
2. Moreover, I have been authorized by the Board of Directors of MERALCO to certify that Applicant has not heretofore filed any similar action, pleading or application involving the same issues before the Supreme Court, the Court of Appeals or any other lower courts or administrative bodies. A copy of the Secretary's Certificate authorizing me to cause the preparation of the instant Application and sign this Verification and Certification is attached hereto as **ANNEX "E"**;

3. I have read and understood the allegations contained therein and the same are true and correct based on my personal knowledge and authentic records made available to me in the ordinary course of business of MERALCO;

4. To the best of my knowledge, no similar action or proceeding is pending before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies;

5. If I should hereafter learn that a similar action has been filed before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies, I undertake to report such fact to this Honorable Commission within five (5) days from notice of such fact.

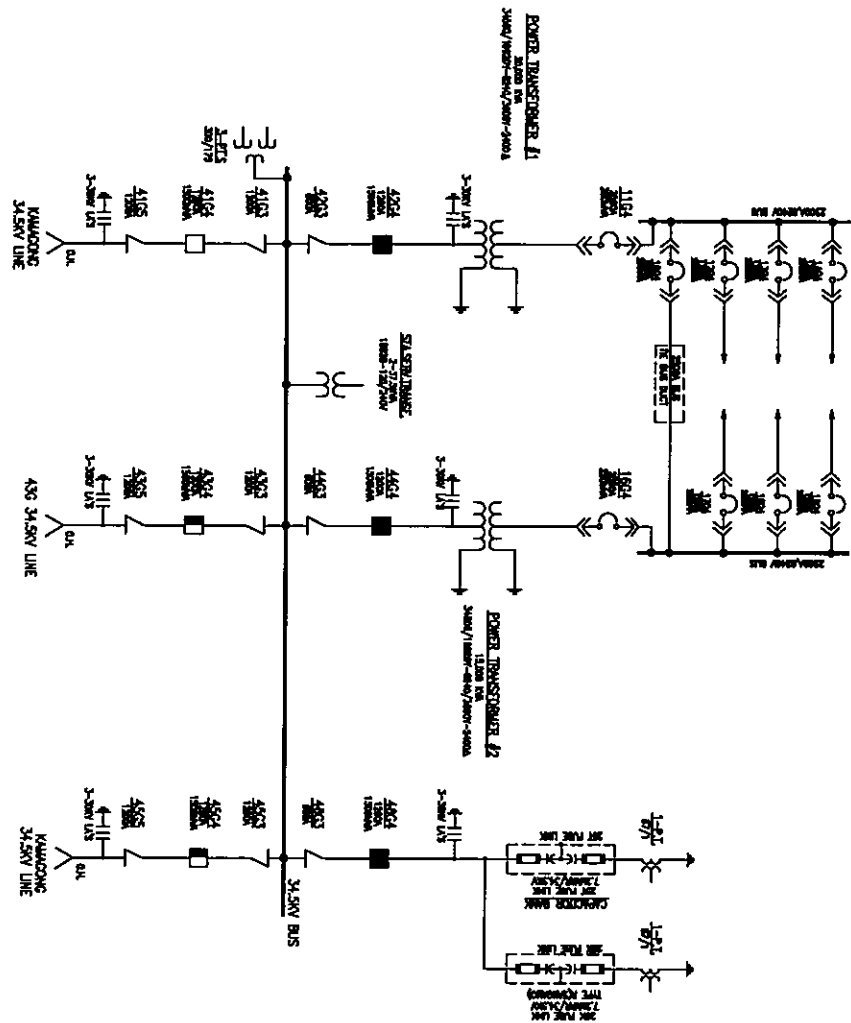
IN WITNESS WHEREOF, I have hereunto affixed my signature
this NOV 10 day of November 2016 at Pasig City, Philippines.


JOSE RONALD V. VALLES
Affiant

SUBSCRIBED and SWORN to before me this NOV 10 2016 day of November 2016, affiant having exhibited to me his Social Security System ID bearing the number 33-10900088.

Doc. No. 110
Page No. 23
Book No. II
Series of 2016.


ATTY. RAYMOND S. YAP
NOTARY PUBLIC
Pasig, Alabang, Taguig & San Juan
Issued on April 6, 2015 at Pasig City
until December 31, 2016
Rol No. 55889; IBP No. 1923728; 01/09/16; Capiz
PTR No. 1473414; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City



MAKATI SUBSTATION





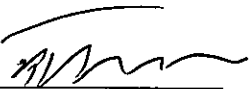
1 of 3

Detailed List of Equipment and Machinery in Makati Odd-Voltage Substation

DESCRIPTION	VINTAGE YEAR	NET BOOK VALUE AS OF JANUARY 31, 2016	REMARKS
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	6/1/1971	0	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	6/1/1971	0	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	6/1/1971	0	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	6/1/1971	0	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	6/1/1971	0	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	10/4/2004	3,946	FOR RETIREMENT
DS-CURRENT TRANSFORMER- BELOW 13.8 KV	1/1/1971	0	FOR RETIREMENT
DS-POTENTIAL TRANSFORMER- 34.5 KV	10/4/2004	125,060	FOR RETIREMENT
DS-POTENTIAL TRANSFORMER- 34.5 KV	10/4/2004	125,060	FOR RETIREMENT
DS-POTENTIAL TRANSFORMER- 34.5 KV	10/4/2004	125,060	FOR RETIREMENT
DS-POTENTIAL TRANSFORMER- 34.5 KV	1/1/1971	0	FOR REUSE
DS-POTENTIAL TRANSFORMER- 34.5 KV	1/1/1971	0	FOR REUSE
DS-BATT CHRG-35 A, 125 VDC	8/20/2010	128,538	FOR REUSE
DS-S-BATT-LD ACID 360 AH; 60 - 2V CELLS; 120 VDC	7/20/2009	382,793	FOR RETIREMENT
DS-DISTRIBUTION BOX-OUTDOOR AC	7/1/1971	0	FOR RETIREMENT
DS-DISTRIBUTION BOX-OUTDOOR DC	7/1/1971	0	FOR RETIREMENT
DS-DISTRIBUTION BOX-OUTDOOR DC	7/1/1971	0	FOR RETIREMENT
DS-SUBSTATION CAPACITORS34.5 KV, 7.2 MVAR CAPACITOR BANK	1/1/1971	0	FOR REUSE
DS-SUBSTATION CAPACITORS34.5 KV, 7.2 MVAR CAPACITOR BANK	1/1/1971	0	FOR REUSE
DS-SST, 37.5 KVA, 1-PH, 20KV-120/240V	1/1/1971	0	FOR REUSE
DS-SST, 37.5 KVA, 1-PH, 20KV-120/240V	1/1/1971	0	FOR REUSE
DS S/S UG COND-CU PWR CABLE; 1/C 8KV; 500 KCMIL	10/4/2004	948,016	FOR RETIREMENT
DS S/S UG COND-CU PWR CABLE; 1/C 8KV; 500 KCMIL	10/4/2004	460,067	FOR RETIREMENT
DS-FREQUENCY RELAY	10/4/2004	174,817	FOR REUSE
DS-FREQUENCY RELAY	10/4/2004	174,817	FOR REUSE
DS-LOCKOUT RELAY (BANK 1 & 2)	10/4/2004	205,422	FOR REUSE
DS-DIRECTIONAL OVERCURRENT RELAY	6/30/2008	107,525	FOR REUSE
DS-OVERCURRENT RELAY	6/30/2008	107,525	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	14,114	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	14,114	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	18,819	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	5/31/1989	4,705	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	21,466	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	7,155	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	7,155	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	7,155	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	7,155	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	7,155	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	14,311	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	21,466	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	21,466	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	21,466	FOR RETIREMENT
DS-PROTECTIVE RELAYS, 1-PHASE	10/4/2004	21,466	FOR RETIREMENT
DS-RECLOSER SWITCH RELAY	10/4/2004	35,169	FOR REUSE
DS-RECLOSER SWITCH RELAY	10/4/2004	35,169	FOR REUSE
DS-RECLOSER SWITCH RELAY	10/4/2004	35,169	FOR REUSE
DS-CONTROL PANEL (1 CUBICLE)	7/1/1971	0	FOR RETIREMENT
DS-CONTROL PANEL (1 CUBICLE)	7/1/1971	0	FOR RETIREMENT
DS-CONTROL PANEL (1 CUBICLE)	7/1/1971	0	FOR RETIREMENT
DS-CONTROL PANEL (1 CUBICLE)	7/1/1971	0	FOR RETIREMENT
DS-CONTROL PANEL (1 CUBICLE)	7/1/1971	0	FOR RETIREMENT
DS-RTU VOLTAGE IED METER	11/30/2009	35,174	FOR REUSE
DS-RTU IED TYPE II METER	7/31/2009	62,846	FOR REUSE
DS-RTU IED TYPE II METER	7/31/2009	62,846	FOR REUSE
DS-RTU IED TYPE II METER	7/31/2009	62,846	FOR REUSE
DS-RTU IED TYPE II METER	7/31/2009	62,846	FOR REUSE
DS-RTU IED TYPE II METER	7/31/2009	62,846	FOR REUSE
DS-RTU IED TYPE II METER	8/6/2009	64,342	FOR REUSE
DS-RTU IED TYPE II METER	8/7/2009	64,342	FOR REUSE
DS-RTU IED TYPE II METER	8/7/2009	64,342	FOR REUSE
DS-RTU IED TYPE II METER	9/23/2009	65,838	FOR REUSE
DS-RTU IED TYPE II METER	11/11/2009	68,831	FOR REUSE
DS-RTU IED TYPE II METER	11/14/2009	68,831	FOR REUSE
DS-RTU CHASSIS MODULE	8/26/2009	48,624	FOR REUSE
RTU CONVERTER (COMMUNICATION)	8/26/2009	5,375	FOR REUSE
RTU CONVERTER (COMMUNICATION)	8/26/2009	5,375	FOR REUSE
DS-RTU CUBICLE	4/18/1995	0	FOR REUSE
DS-RTU CUBICLE	4/18/1995	0	FOR REUSE
DS-RTU CUBICLE	4/18/1995	0	FOR REUSE
DS-RTU CUBICLE	4/18/1995	0	FOR REUSE
DS-RTU MAIN POWER SUPPLY	8/26/2009	31,486	FOR REUSE
DS-RTU PRD PANEL	4/18/1995	0	FOR REUSE
DS-RTU PROCESSOR BOARD	7/1/2011	183,923	FOR REUSE
DS-UNINTERRUPTIBLE POWER SUPPLY	10/4/2004	0	FOR REUSE
sub-total		20,292,888	
TELECOMMS			
BOARD, ACCESS, ALCATEL; 4E1 CAP, 1521FL T9 LT	8/1/2006	12,666	FOR RETIREMENT
PATCH PANEL; OPTICAL, 48 PORTS, NEXANS TDCO48	11/1/2006	10,847	FOR REUSE
MULTIPLEXER, TERMINAL; PRIMARY PCM, 2MBPS	5/1/2007	154,393	FOR RETIREMENT
DATA LINE PROTECTION	2/1/2009	37,589	FOR REUSE

Detailed List of Equipment and Machinery in Makati Odd-Voltage Substation

DESCRIPTION	VINTAGE YEAR	NET BOOK VALUE AS OF JANUARY 31, 2016	REMARKS
RADIO, MICROWAVE; 3.5MHZ BW,1.4GHZ, 48V, APRISA XE	6/1/2009	180,427	FOR REUSE
TESTER BATTERY DIGITAL POWER PULSE		2,016	FOR REUSE
sub-total		<u>397,939</u>	
LAND			
Parcel of land located at Cor. Kakarong St. & Vito Cruz Ave. Extn., Brgy. Sta. Cruz, Makati City (Lot area = 1,791 sqm)	11/1/1976	65,730,004	FOR REUSE
sub-total		<u>65,730,004</u>	
GRAND TOTAL		<u>86,772,824</u>	


Roberto D. Isip, Jr.
Network Asset Planning

MAKATI SUBSTATION: Facilities for retirement and not for reuse

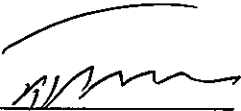
NO.	DESCRIPTION	NET BOOK VALUE	REMARKS
1	BATTERY&CONTROL HOUSE:BATTERY RM.MAIN CONTROL RM,STORAGE RM	0	FULLY DEPRECIATED
2	SCADA ROOM, TYPE "C", 5650 MM X 3900 MM	148,933	
3	GUARDHOUSE	33,157	
4	YARD IMPROVEMENTS:FENCING, DRIVE GATES, WALK GATES	0	FULLY DEPRECIATED
5	CONC HOLLOW BLOCK FENCING COMPLETE W/ STEEL DRIVE &WALK GATE	0	FULLY DEPRECIATED
6	POWER CONDUITS	0	FULLY DEPRECIATED
7	CABLE DUCT & TRAY ASSY.	0	FULLY DEPRECIATED
8	15 MVA-34.5KV HITACHI XF STRUC MTG ASSY.	0	FULLY DEPRECIATED
9	34.5KV TRANSFORMER MOUNTING STRUCTURE	0	FULLY DEPRECIATED
10	FOUNDATION:BANK NOS.1&2 FOR 15MVA "HITACHI" XF REINF CONC	0	FULLY DEPRECIATED
11	34.5KV BUS SUPPORT COLUMNS FOUNDATION;REINF CONC STD W/ BOLT	0	FULLY DEPRECIATED
12	34.5KV STANDARD BUS SUPPORT MOUNTING COLUMNS	0	FULLY DEPRECIATED
13	34.5KV STANDARD SWITCH MOUNTING COLUMNS	0	FULLY DEPRECIATED
14	34.5KV STD SWITCH COLUMN SUPPORT;REINF CONC	0	FULLY DEPRECIATED
15	34.5KV SWITCH COLUMNS FOUNDATIONS;REINF CONC FOOTING	0	FULLY DEPRECIATED
16	FOUNDATION:REINF CONC APPROX 1.273 CU.M. COMPLETE W/ BOLT	0	FULLY DEPRECIATED
17	FOUNDATION:REINF CONC COMPLETE W/ ANCHOR BOLTS VOL 1.273CU M	0	FULLY DEPRECIATED
18	FOUNDATION:REINF CONC COMPLETE W/ ANCHOR BOLTS	0	FULLY DEPRECIATED
19	FOUNDATION:REINF CONCRETE PEDESTAL	0	FULLY DEPRECIATED
20	FOUNDATIONS:REINF CONC PEDESTALS COMPLETE W/ ANCHOR BOLTS	0	FULLY DEPRECIATED
21	STD AC-DC DIST BOX MTG;FRAME OF HOT DIP GALVANIZED STRUC	0	FULLY DEPRECIATED
22	DS-GCB, DEAD TANK , 34.5KV, 1200A. 31.5KA	739,951	
23	DS-MCSWGR-6.24KV, METALCLAD ENCLOSURES AND BAYS	0	FULLY DEPRECIATED
24	DS-MCSWGR-6.24KV, METALCLAD ENCLOSURES AND BAYS	0	FULLY DEPRECIATED
25	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
26	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
27	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
28	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
29	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
30	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
31	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
32	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
33	DS-VCB, INDOOR, 6.24KV	0	FULLY DEPRECIATED
34	DS-DSWITCH-34.5 KV, 1200 A, W/O ES, MANUAL	252,139	
35	DS-DSWITCH-34.5 KV, 1200 A, W/O ES, MANUAL	252,139	
36	DS-DSWITCH-34.5 KV, 1200 A, W/O ES, MANUAL	246,933	
37	DS-DSWITCH-34.5 KV, 1200 A, W/O ES, MANUAL	246,933	
38	DS-DSWITCH-34.5 KV, 1200 A, W/O ES, MANUAL	335,245	
39	DS-DSWITCH-34.5 KV, 600 A, W/O ES, MANUAL	9,011	
40	DS-DSWITCH-34.5 KV, 600 A, W/O ES, MANUAL	140,746	
41	DS-DSWITCH-34.5 KV, 600 A, W/O ES, MANUAL	116,554	
42	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
43	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
44	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
45	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
46	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
47	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
48	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
49	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
50	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
51	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
52	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
53	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
54	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
55	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
56	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
57	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
58	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
59	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
60	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
61	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
62	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
63	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
64	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
65	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
66	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
67	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
68	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
69	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
70	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
71	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
72	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	3,946	
73	DS-CURRENT TRANSFORMER- BELOW 13.8 KV	0	FULLY DEPRECIATED
74	DS-POTENTIAL TRANSFORMER- 34.5 KV	125,060	
75	DS-POTENTIAL TRANSFORMER- 34.5 KV	125,060	
76	DS-POTENTIAL TRANSFORMER- 34.5 KV	125,060	
77	DS-S-BATT-LD ACID 360 AH; 60 - 2V CELLS; 120 VDC	382,793	
78	DS-DISTRIBUTION BOX-OUTDOOR AC	0	FULLY DEPRECIATED
79	DS-DISTRIBUTION BOX-OUTDOOR DC	0	FULLY DEPRECIATED
80	DS-DISTRIBUTION BOX-OUTDOOR DC	0	FULLY DEPRECIATED
81	DS S/S UG COND-CU PWR CABLE; 1/C 8KV; 500 KCMIL	948,016	
82	DS S/S UG COND-CU PWR CABLE; 1/C 8KV; 500 KCMIL	460,067	

MAKATI SUBSTATION: Facilities for retirement and not for reuse

NO.	DESCRIPTION	NET BOOK VALUE	REMARKS
83	DS-OVERCURRENT RELAY	107,525	
84	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
85	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
86	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
87	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
88	DS-PROTECTIVE RELAYS, 1-PHASE	14,114	
89	DS-PROTECTIVE RELAYS, 1-PHASE	14,114	
90	DS-PROTECTIVE RELAYS, 1-PHASE	18,819	
91	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
92	DS-PROTECTIVE RELAYS, 1-PHASE	4,705	
93	DS-PROTECTIVE RELAYS, 1-PHASE	21,466	
94	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
95	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
96	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
97	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
98	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
99	DS-PROTECTIVE RELAYS, 1-PHASE	7,155	
100	DS-PROTECTIVE RELAYS, 1-PHASE	14,311	
101	DS-PROTECTIVE RELAYS, 1-PHASE	21,466	
102	DS-PROTECTIVE RELAYS, 1-PHASE	21,466	
103	DS-PROTECTIVE RELAYS, 1-PHASE	21,466	
104	DS-PROTECTIVE RELAYS, 1-PHASE	21,466	
105	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
106	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
107	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
108	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
109	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
110	DS-CONTROL PANEL (1 CUBICLE)	0	FULLY DEPRECIATED
111	BOARD, ACCESS, ALCATEL; 4E1 CAP, 1521FL T9 LT	12,666	
112	MULTIPLEXER, TERMINAL; PRIMARY PCM, 2MBPS	154,393	

TOTAL COST

5,206,178



Roberto D. Isip, Jr.
Network Asset Planning

**RETIREMENT OF MAKATI 34.5 KV – 6.24 KV SUBSTATION AND COMPLETE
CONVERSION OF MAKATI 6.24 KV CIRCUITS TO 34.5 KV**

Background & Reason:

Makati 34.5kV – 6.24kV Substation, with a lot area of 1,791 square meters (sqm), is located at corner Kakarong St. and Pablo Ocampo Sr. Ave extension Brgy. Sta. Cruz, Makati City. It has one (1) 20 MVA, 34.5 kV – 6.24 kV Power Transformer Bank No.1 and one (1) 15MVA 34.5 kV – 6.24 kV Power Transformer Bank. No. 2. The former is twenty-seven (27) years old and the latter is forty-five (45) years old.

MERALCO has programmed the gradual conversion of odd-voltage systems to the ultimate distribution voltage for each part of the franchise area. The project "Retirement of Makati 34.5 kV – 6.24 kV Substation and Complete Conversion of Makati 6.24 kV Circuits to 34.5 kV", is in line with the company's odd-voltage conversion program which will give way to the development of the ultimate 34.5 kV distribution system in this odd-voltage area. This will reduce technical losses, improve feeder flexibility and voltage regulation as well as eliminate unnecessary inventory costs of maintaining odd-voltage equipment.

The existing 6.24 kV odd-voltage circuits, namely, 12G, 13G, 17G and 19G will be converted to 34.5 kV. Thus, MERALCO has to retire the Makati Substation.

Upon the retirement of Makati Substation, the 6.24 kV loads will be transferred to 34.5 kV circuits New Rockwell 436VV, 424VV/425VV, Paco 416VY, Kamagong 48VK, 49VK and 51VK. As a result of the conversion of said circuits to 34.5 kV, the redundant 34.5 kV – 6.24 kV step-down stage will be eliminated.

The complete conversion of 6.24 kV circuits of Makati Substation will provide the much needed reserve capacity for contingency operations of the standard 34.5kV distribution system which the obsolete 6.24kV system lacks. As such, the customers will have a more flexible and reliable source. This project will benefit the customers in Makati City such as but not limited to Land Bank of the Philippines, City Government of Makati, Equitable Banking Corporation, Rockwell Urban Center, Century City and Circuit Makati.

The immediate retirement of Makati Substation is also necessary in preparation for the development of Makati 115 kV–34.5 kV GIS Substation in RY2017 using the same lot. The development of the Makati 115 kV – 34.5 kV GIS Substation, includes installation of new power transformer that will address the expected critical loading in 2017 of Kamagong 83 MVA power transformer bank no. 1 (84%), Kamagong 83 MVA power transformer bank no. 2 (73%) and Rockwell 83 MVA power transformer bank no. 4 (73%). If the project "Development of Makati 115 kV – 34.5 kV GIS Substation" is not immediately implemented, there is a risk of outages in the affected areas and consequently, this will affect business operations of critical customers which consist mainly of commercial centers.¹

Loss Reduction:

The retirement of one (1) 20MVA and one (1) 15 MVA, 34.5 kV - 6.24 kV Banks and the complete conversion to 34.5 kV of circuits Makati 12G, 13G, 17G and 19G, will result in technical system loss reduction of approximately 939,146 KWHR annually.

¹ See Annex "B-6" of MERALCO's Application for Authority to Implement the Proposed Capital Expenditure Program for Regulatory Year (RY) 2017 with prayer for provisional authority, (ERC Case 2016-017 RC)

Load Analysis:

		WITHOUT PROJECT		WITH PROJECT	
BANK/FEEDER	CAPACITY	LOADING	% LOADING	LOADING	% LOADING
Kamagong Bank #2	83.33	52.76	63%	51.10	61%
Kamagong 49VK	53.78	23.48	44%	31.69	59%
Kamagong 48VK (Source)	53.78	25.16	47%	15.07	28%
Makati 43G	28.68	14.64	51%	13.80	48%
Kamagong 51VK	53.78	2.99	6%	3.21	6%
New Rockwell Bank #3	83.30	44.32	53%	45.09	54%
New Rockwell 436VV	28.68	14.52	51%	15.29	53%
New Rockwell Bank #2	83.30	48.15	58%	48.74	59%
New Rockwell 424VV/425VV	31.67	18.11	58%	18.70	58%
Paco Bank #1	83.33	54.37	65%	54.62	66%
Paco 416VY	31.67	17.63	58%	17.88	58%
Makati Bank #1	18.75	4.60	25%	-	0%
Makati 12G	9.73	4.02	41%	-	0%
Makati 13G	9.73	0.77	8%	-	0%
Makati Bank #2	18.75	6.65	35%	-	0%
Makati 17G	9.73	3.74	38%	-	0%
Makati 19G	9.73	4.01	41%	-	0%
*Capacity & Loading in MVA					

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

IN THE MATTER OF THE
APPLICATION FOR AUTHORITY
TO RETIRE THE MAKATI
SUBSTATION LOCATED AT
BARANGAY STA. CRUZ,
MAKATI CITY AND TO
WITHDRAW FROM SERVICE
CERTAIN EQUIPMENT AND
MACHINERY INSTALLED IN
SAID SUBSTATION, WITH
PRAYER FOR PROVISIONAL
AUTHORITY,

ERC CASE NO. _____

MANILA ELECTRIC COMPANY
(MERALCO),

Applicant.

X-----X

JUDICIAL AFFIDAVIT
OF ENGR. ROBERTO D. ISIP JR.

The following examination of witness **ENGR. ROBERTO D. ISIP JR.**, of legal age, with office address at 5th Floor, Technical Services Building, Ortigas Avenue, Barangay Ugong, Pasig City and who is the Manager of MERALCO's Network Asset Planning Office, was conducted by Atty. Carmen Grace S. Ramos, at the 7th Floor, Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City, on 10 November 2016.

The testimony of **ENGR. ROBERTO D. ISIP JR.** is being offered for following purposes:

1. To prove that there is a need to retire the Makati Substation and to withdraw from service certain equipment and machineries installed therein and that the same is in pursuit of Applicant's Conversion Program on gradual conversion of its distribution system odd-voltages to the standardized 20 kV/34.5 kV distribution system in its franchise area;

2. To prove that the retirement of Makati Substation and withdrawal from service of certain equipment and machineries installed therein will not have an adverse impact to the affected customers in the areas;
3. To prove that the issuance of provisional authority is warranted under the circumstances;
4. To identify the supporting documents to the Application; and
5. To prove all matters pertinent to the Application.

I, **ROBERTO D. ISIP JR.**, Filipino, married, of legal age, with office address at Manila Electric Company (MERALCO), 5th Floor, Technical Services Building, Meralco Center, Ortigas Avenue, Barangay Ugong, Pasig City, after having been duly sworn to in accordance with law, fully conscious that I am answering the questions under oath, hereby depose and state **THAT**:

Q1: What are your professional and educational qualifications?

A1: I have a Bachelor of Science degree in Electrical Engineering (BSEE) from Mapua Institute of Technology. I am also a Registered Electrical Engineer.

Q2: Where are you presently employed?

A2: I am presently employed at the Manila Electric Company (MERALCO) as Manager at its Network Asset Planning Office.

Q3: How long have you been employed by MERALCO?

A3: I have been employed by MERALCO for more than 26 years. I have worked at MERALCO since August 1, 1990.

Q4: What are your duties and responsibilities as Manager of MERALCO's Network Asset Planning Office?

A4: My duties and responsibilities, involve among other things, preparation, review and approval of short-range (one to two years), Medium Range (up to five years horizon) and long range (more than five years) major substation, subtransmission and distribution Electrical Capital Projects (ECP) for the purposes of meeting future load growth. Part of my functions involves determination of the substation facilities due for retirement.

Q5: Are you familiar with the Application of MERALCO entitled: **"IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO RETIRE THE MAKATI SUBSTATION LOCATED AT BARANGAY SANTA CRUZ, MAKATI CITY AND TO**

WITHDRAW FROM SERVICE CERTAIN EQUIPMENT AND MACHINERY INSTALLED IN SAID SUBSTATION, WITH PRAYER FOR PROVISIONAL AUTHORITY“?

A5: Yes. I am familiar with said Application since I have participated in the preparation of the said Application as well as its supporting documents.

Q6: What are the supporting documents you provided/prepared in relation to the Application?

A6: The following are the supporting documents to the Application:

- **Annex “A”** –Schematic Diagram showing the exact location of Makati Substation and pictures thereof.
- **Annex “B”**- Detailed List of Equipment and Machinery to be re-used and/or retired in Makati Substation, with corresponding specifications and values.
- **Annex “C”** –Load Simulation/study conducted on the effect of withdrawal from service of said equipment and machinery.

Q7: What are the bases for filing of the instant Application?

A7: The instant Application is filed pursuant to following:

a. Distribution Services and Open Access Rules (DSOAR)

“1.7 No DU shall increase, substitute or withdraw from service any of its authorized equipment and machinery without the prior authority from the ERC, except in case of emergency whereby the ERC shall be notified not later than seventy-two (72) hours of such increase, substitution or withdrawal of authorized equipment. Provided, however, that the utility shall comply with the ERC’s application for retirement.”

b. Amendments to DSOAR

“1.7.1

Xxx

The DU may increase, substitute or withdraw from service its authorized equipment and machinery in accordance with the Rules for Approval of Regulated Entities’ Capital Expenditure Projects, RDWR and other ERC Rules. If such undertaking is not covered by the RDWR or other rules, authorization shall be secured from the ERC in accordance with pertinent

provision of the Rules for Approval of Regulated Entities' Capital Expenditure Projects."

c. Decision dated December 1, 2010¹ in ERC Case No. 2009-118 MC² and Decision dated December 12, 2011³ in ERC Case No.2010-146 RC⁴

In both Decisions, the Honorable Commission ruled that, "A perusal of evidence showed that the retirement of substations and withdrawal of the equipment and machineries installed therein will redound to the benefit of the consumers in terms of reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."

Q8: What is the subject matter of the instant Application?

A8: In the instant Application, Applicant seeks authority from the Honorable Commission to retire the Makati Substation and withdraw from service certain equipment and machinery installed therein.

Q9: Why is there a need to retire the said substation?

A9: Applicant has programmed the gradual conversion of odd-voltage systems (distribution system with voltages other than

¹ Decision, page 9.

"A perusal of the evidence herein showed that the retirement of the Morong, Gaya –Gaya and Mauban substations and withdrawal of the equipment and machineries installed therein in the accordance with MERALCO's Conversion Program will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy) – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power."

² In the Matter of the Application for Authority to Retire the Morong Substation located at Morong, Province Rizal, the Gaya-Gaya Substation located as San Jose Del Monte, Province of Bulacan and the Mauban Substation located at Mauban, Province of Quezon and to Withdraw from Service Certain Equipment and Machinery Installed in the said Substations, with Prayer for Provisional Authority.

³ Decision , page 9.

"A perusal of the evidence presented herein showed that the retirement of substations in Cavite, Lucena II, Pagbilao, Forbes Park and Tondo as well as the withdrawal of the equipment and machineries installed therein, will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy) – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power."

⁴ In the Matter of the Application for Authority to Retire (1) The Cavite Substation located at Cavite City, (2) The Lucena II Substation located at Lucene City, Quezon Province, (3) Pagbilao Substation located at Pagbilao, Quezon Province, (4) Forbes Park Substation

34.5 kV or 13.8 kV) to the ultimate standardized 20 kV/34.5 kV (line-to-neutral/line to line) distribution voltage system within its franchise area. Odd voltage distribution systems are generally stepped down from standard voltage facilities and are out – moded redundant systems that are no longer necessary under present conditions. The voltage standardization will reduce technical system loss, improve flexibility and reliability of electric service by phasing out isolated odd voltage systems and minimize equipment inventory types. Applicant continuously implements its Odd-Voltage Conversion Program with the aim of having standard voltage systems for its entire franchise area.

The Makati Substation, with a lot area of 1,791 square meters (sqm), is located at corner Kakarong St. and Pablo Ocampo Sr. Avenue extension, Brgy. Sta. Cruz, Makati City. The said substation has been in service for more than forty five (45) years and has existing 6.24 kV odd-voltage circuits specifically, 12G, 13G, 17G and 19G. Makati Substation is also one of the few odd-voltage systems (with voltage other than 34.5 kV or 13.8 kV) within MERALCO's franchise area.

The power transformer banks in said substation are Power Transformer Banks No.1 and 2. Power Transformer Bank No.1 is a twenty-seven (27) years old, 20 MVA, 34.5 kV – 6.24 kV power transformer. While Power Transformer Bank No.2 is a forty-five (45) years old, 15MVA 34.5 kV – 6.24 kV.

Thus, there is need to retire the Makati Substation and withdraw from service certain equipment and machinery installed therein in line with its conversion program.

Q10: What will be the impact of retirement of said substation to the Regulatory Asset Base (RAB) of Applicant?

A10: Currently, Makati Substation is part of Applicant's Regulatory Asset Base (RAB). Upon its retirement, some of the equipment and machinery will be reused for distribution services and others will be withdrawn from service.

Q11: What is the impact of the retirement of the Makati Substation and withdrawal from service certain equipment and machineries installed therein to MERALCO's customers in the affected areas?

A11: With the retirement of the Makati Substation and withdrawal from service certain equipment and machineries installed therein, the existing odd-voltage circuits will be converted to 34.5 kV. This will provide the much needed reserve capacity for

contingency operations. Thus, the customers in the area will have a more flexible and reliable source.

In addition, the retirement of the power transformer banks and the complete conversion to 34.5 kV of circuits of existing odd-voltage circuits will result in technical system loss reduction of approximately 939, 146 KWHR annually.

Q12: Why is MERALCO requesting for the issuance of a Provisional Authority under the instant Application?

A12: The issuance of Provisional Authority is warranted in the circumstances considering that there is no reason to continue energizing the Makati Substation as the loads thereof may be transferred to adjacent source circuits and that the conversion of the loads of Makati Substation to 34.5 kV will result in an earlier reduction of technical system loss and improvement of the electric service by phasing out isolated odd-voltage system.

The immediate retirement of Makati Substation is also necessary in preparation for the development of Makati 115 kV-34.5 kV GIS Substation in RY2017 using the same lot. The development of the GIS Substation is intended to augment capacity deficiency in Makati City by 2017.⁵

Q13: Can you tell us why you are executing this Judicial Affidavit?

A13: I am executing this Judicial Affidavit to attest to the truthfulness and veracity of the foregoing statements and in support of MERALCO's Application.

IN WITNESS WHEREOF, I have hereunto affixed my signature this ___th day of November 2016 at Pasig City, Philippines.


ROBERTO D. ISIP JR.
Affiant

⁵ See Annex "B-6" of MERALCO's Application for Authority to Implement the Proposed Capital Expenditure Program for Regulatory Year (RY) 2017 with prayer for provisional authority, (ERC Case 2016-017 RC)

ATTESTATION

I, Atty. Carmen Grace S. Ramos, of legal age, Filipino, with office address at the 7th Floor, Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City attest to the following that:

1. I am the lawyer who conducted the examination of witness, Engr. Roberto D. Isip Jr.;
2. I have faithfully recorded or caused to be recorded the questions I asked and the answers given by the witness;
3. Neither I nor any other person coached the witness regarding his answers.

IN WITNESS WHEREOF, I have hereunto affixed my signature this NOV 10 2016, at Pasig City, Philippines.

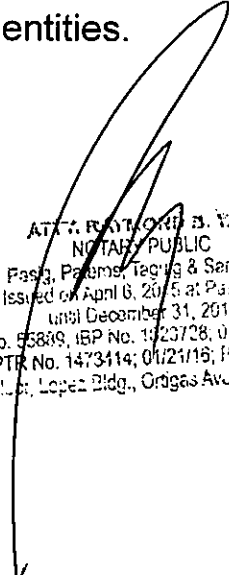


ATTY. CARMEN GRACE S. RAMOS

Affiant

SUBSCRIBED AND SWORN TO before me this NOV 10 2016 day of November 2016 by Engr. Roberto D. Isip Jr. and Atty. Carmen Grace S. Ramos, exhibiting their SSS IDs with Nos. 3304025924 and 3410973533, respectively, as proof of their identities.

Doc. No.: III ;
Page No.: 24 ;
Book No.: II ;
Series of 2016.



ATTY. RAYMOND B. YAP
NOTARY PUBLIC
Pasig, Palawan, Taguig & San Juan
Issued on April 6, 2015 at Pasig City
until December 31, 2016
Roll No. 55849, IBP No. 1923728, 01/06/16; Capiz
PTR No. 1473414; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City

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

IN THE MATTER OF THE
APPLICATION FOR AUTHORITY
TO RETIRE THE MAKATI
SUBSTATION LOCATED AT
BARANGAY STA. CRUZ,
MAKATI CITY AND TO
WITHDRAW FROM SERVICE
CERTAIN EQUIPMENT AND
MACHINERY INSTALLED IN
SAID SUBSTATION, WITH
PRAYER FOR PROVISIONAL
AUTHORITY,

ERC CASE NO. _____

MANILA ELECTRIC COMPANY
(MERALCO),

Applicant.

X-----X

JUDICIAL AFFIDAVIT
OF ENGR. ROBERTO D. ISIP JR.

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1. To prove that there is a need to retire the Makati Substation and to withdraw from service certain equipment and machineries installed therein and that the same is in pursuit of Applicant's Conversion Program on gradual conversion of its distribution system odd-voltages to the standardized 20 kV/34.5 kV distribution system in its franchise area;

2. To prove that the retirement of Makati Substation and withdrawal from service of certain equipment and machineries installed therein will not have an adverse impact to the affected customers in the areas;
3. To prove that the issuance of provisional authority is warranted under the circumstances;
4. To identify the supporting documents to the Application; and
5. To prove all matters pertinent to the Application.

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Q5: Are you familiar with the Application of MERALCO entitled: **"IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO RETIRE THE MAKATI SUBSTATION LOCATED AT BARANGAY SANTA CRUZ, MAKATI CITY AND TO**

WITHDRAW FROM SERVICE CERTAIN EQUIPMENT AND MACHINERY INSTALLED IN SAID SUBSTATION, WITH PRAYER FOR PROVISIONAL AUTHORITY“?

A5: Yes. I am familiar with said Application since I have participated in the preparation of the said Application as well as its supporting documents.

Q6: What are the supporting documents you provided/prepared in relation to the Application?

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- **Annex “C”** –Load Simulation/study conducted on the effect of withdrawal from service of said equipment and machinery.

Q7: What are the bases for filing of the instant Application?

A7: The instant Application is filed pursuant to following:

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b. Amendments to DSOAR

“1.7.1

Xxx

The DU may increase, substitute or withdraw from service its authorized equipment and machinery in accordance with the Rules for Approval of Regulated Entities’ Capital Expenditure Projects, RDWR and other ERC Rules. If such undertaking is not covered by the RDWR or other rules, authorization shall be secured from the ERC in accordance with pertinent

provision of the Rules for Approval of Regulated Entities' Capital Expenditure Projects."

c. Decision dated December 1, 2010¹ in ERC Case No. 2009-118 MC² and Decision dated December 12, 2011³ in ERC Case No.2010-146 RC⁴

In both Decisions, the Honorable Commission ruled that, "A perusal of evidence showed that the retirement of substations and withdrawal of the equipment and machineries installed therein will redound to the benefit of the consumers in terms of reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."

Q8: What is the subject matter of the instant Application?

A8: In the instant Application, Applicant seeks authority from the Honorable Commission to retire the Makati Substation and withdraw from service certain equipment and machinery installed therein.

Q9: Why is there a need to retire the said substation?

A9: Applicant has programmed the gradual conversion of odd-voltage systems (distribution system with voltages other than

¹ Decision, page 9.

"A perusal of the evidence herein showed that the retirement of the Morong, Gaya –Gaya and Mauban substations and withdrawal of the equipment and machineries installed therein in the accordance with MERALCO's Conversion Program will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy) – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power."

² In the Matter of the Application for Authority to Retire the Morong Substation located at Morong, Province Rizal, the Gaya-Gaya Substation located as San Jose Del Monte, Province of Bulacan and the Mauban Substation located at Mauban, Province of Quezon and to Withdraw from Service Certain Equipment and Machinery Installed in the said Substations, with Prayer for Provisional Authority.

³ Decision , page 9.

"A perusal of the evidence presented herein showed that the retirement of substations in Cavite, Lucena II, Pagbilao, Forbes Park and Tondo as well as the withdrawal of the equipment and machineries installed therein, will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy) – (b) "to ensure the quality, reliability, security and affordability of the supply of electric power."

⁴ In the Matter of the Application for Authority to Retire (1) The Cavite Substation located at Cavite City, (2) The Lucena II Substation located at Lucene City, Quezon Province, (3) Pagbilao Substation located at Pagbilao, Quezon Province, (4) Forbes Park Substation

34.5 kV or 13.8 kV) to the ultimate standardized 20 kV/34.5 kV (line-to-neutral/line to line) distribution voltage system within its franchise area. Odd voltage distribution systems are generally stepped down from standard voltage facilities and are out – moded redundant systems that are no longer necessary under present conditions. The voltage standardization will reduce technical system loss, improve flexibility and reliability of electric service by phasing out isolated odd voltage systems and minimize equipment inventory types. Applicant continuously implements its Odd-Voltage Conversion Program with the aim of having standard voltage systems for its entire franchise area.

The Makati Substation, with a lot area of 1,791 square meters (sqm), is located at corner Kakarong St. and Pablo Ocampo Sr. Avenue extension, Brgy. Sta. Cruz, Makati City. The said substation has been in service for more than forty five (45) years and has existing 6.24 kV odd-voltage circuits specifically, 12G, 13G, 17G and 19G. Makati Substation is also one of the few odd-voltage systems (with voltage other than 34.5 kV or 13.8 kV) within MERALCO's franchise area.

The power transformer banks in said substation are Power Transformer Banks No.1 and 2. Power Transformer Bank No.1 is a twenty-seven (27) years old, 20 MVA, 34.5 kV – 6.24 kV power transformer. While Power Transformer Bank No.2 is a forty-five (45) years old, 15MVA 34.5 kV – 6.24 kV.

Thus, there is need to retire the Makati Substation and withdraw from service certain equipment and machinery installed therein in line with its conversion program.

Q10: What will be the impact of retirement of said substation to the Regulatory Asset Base (RAB) of Applicant?

A10: Currently, Makati Substation is part of Applicant's Regulatory Asset Base (RAB). Upon its retirement, some of the equipment and machinery will be reused for distribution services and others will be withdrawn from service.

Q11: What is the impact of the retirement of the Makati Substation and withdrawal from service certain equipment and machineries installed therein to MERALCO's customers in the affected areas?

A11: With the retirement of the Makati Substation and withdrawal from service certain equipment and machineries installed therein, the existing odd-voltage circuits will be converted to 34.5 kV. This will provide the much needed reserve capacity for

contingency operations. Thus, the customers in the area will have a more flexible and reliable source.

In addition, the retirement of the power transformer banks and the complete conversion to 34.5 kV of circuits of existing odd-voltage circuits will result in technical system loss reduction of approximately 939, 146 KWHR annually.

Q12: Why is MERALCO requesting for the issuance of a Provisional Authority under the instant Application?

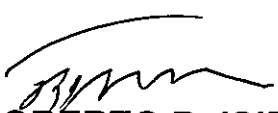
A12: The issuance of Provisional Authority is warranted in the circumstances considering that there is no reason to continue energizing the Makati Substation as the loads thereof may be transferred to adjacent source circuits and that the conversion of the loads of Makati Substation to 34.5 kV will result in an earlier reduction of technical system loss and improvement of the electric service by phasing out isolated odd-voltage system.

The immediate retirement of Makati Substation is also necessary in preparation for the development of Makati 115 kV-34.5 kV GIS Substation in RY2017 using the same lot. The development of the GIS Substation is intended to augment capacity deficiency in Makati City by 2017.⁵

Q13: Can you tell us why you are executing this Judicial Affidavit?

A13: I am executing this Judicial Affidavit to attest to the truthfulness and veracity of the foregoing statements and in support of MERALCO's Application.

IN WITNESS WHEREOF, I have hereunto affixed my signature this ___th day of November 2016 at Pasig City, Philippines.


ROBERTO D. ISIP JR.
Affiant

⁵ See Annex "B-6" of MERALCO's Application for Authority to Implement the Proposed Capital Expenditure Program for Regulatory Year (RY) 2017 with prayer for provisional authority, (ERC Case 2016-017 RC)

ATTESTATION

I, Atty. Carmen Grace S. Ramos, of legal age, Filipino, with office address at the 7th Floor, Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City attest to the following that:

1. I am the lawyer who conducted the examination of witness, Engr. Roberto D. Isip Jr.;
2. I have faithfully recorded or caused to be recorded the questions I asked and the answers given by the witness;
3. Neither I nor any other person coached the witness regarding his answers.

IN WITNESS WHEREOF, I have hereunto affixed my signature this NOV 10 2016, at Pasig City, Philippines.



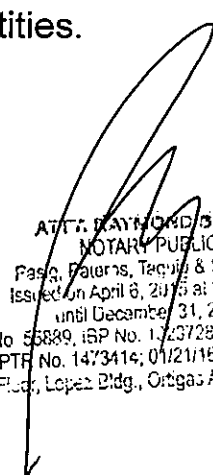
ATTY. CARMEN GRACE S. RAMOS

Affiant

NOV 10 2016

SUBSCRIBED AND SWORN TO before me this day of November 2016 by Engr. Roberto D. Isip Jr. and Atty. Carmen Grace S. Ramos, exhibiting their SSS IDs with Nos. 3304025924 and 3410973533, respectively, as proof of their identities.

Doc. No.: III ;
Page No.: 24 ;
Book No.: II ;
Series of 2016.



ATTY. DAYMOND S. YAP
NOTARY PUBLIC
Pasig, Paleros, Taguig & San Juan
Issued on April 6, 2015 at Pasig City
until December 31, 2016
Roll No. 55689, ISP No. 1323728, 01/08/16; Capiz
PTR No. 1473414; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City



ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

ANNEX " E "

SECRETARY'S CERTIFICATE

I, WILLIAM S. PAMINTUAN, a duly elected, qualified and incumbent Assistant Corporate Secretary of the Manila Electric Company (MERALCO), a corporation duly organized and existing under and by virtue of the laws of the Philippines, do hereby certify that:

At the regular meeting of the Board of Directors of the Company duly convened and held on February 23, 2015, at which meeting a quorum was present, acted throughout and voted, the following resolution amending the resolution of the Board on January 27, 2014 on the same subject, was approved and that said amendatory resolution is in full force and effect on the date hereof:

"RESOLVED, that the Board of Directors of the Manila Electric Company (MERALCO) authorize, as it hereby authorizes, Messrs. MANUEL V. PANGILINAN, Chairman, OSCAR S. REYES, President & Chief Executive Officer, SIMEON KEN R. FERRER, Corporate Secretary, ALFREDO S. PANLILIO, Senior Vice President, Head, Customer Retail Services and Head, Corporate Communication, RAMON B. SEGISMUNDO, Senior Vice President & Head, Human Resources & Corporate Services, ROBERTO R. ALMAZORA, Senior Vice President, RAFAEL L. ANDRADA, First Vice President & Treasurer, RUBEN B. BENOSA, First Vice President & Head, Corporate Logistics, Ms. IVANNA G. DELA PEÑA, First Vice President & Head, Regulatory Management Office, WILLIAM S. PAMINTUAN, First Vice President, Assistant Corporate Secretary, Compliance Officer and Head, Legal and Corporate Governance, RONNIE L. APEROCHO, First Vice President & Head, Networks, MARTHYN S. CUAN, Vice President & Head, Corporate Information and Technology, JOSE RONALD V. VALLES, Vice President and Head, Regulatory Affairs, MARIA ZARAH R. VILLANUEVA-CASTRO, Senior Assistant Vice President & Head, Corporate Legal Services, HORATIO ENRICO M. BONA, Assistant Vice President & Head, Litigation Team 2, RAUL G. CORALDE, Assistant Vice President & Head, Litigation Team 1, MICHELLE O. DELOS SANTOS-BONA, Assistant Vice President & Head, Legal Operations Support, EUGENE JUDE DENIS GERARD E. ALABANZA, Senior Manager & Head, Litigation Team 3, CORNELIO MANUEL C. DICCION, Manager & Legal Counsel, and any lawyer or employee of MERALCO that any of them may designate, name or appoint:

- (1) to represent the Company, in the institution, prosecution, and defense of any claim, complaint, action, proceeding, petition, application, protest, suit, or case, for or against the Company, before any court, prosecutor's office, regulatory, quasi-judicial, or administrative body, agency, or office of the national or any local government;
- (2) to sign, execute, and deliver in connection therewith the necessary or appropriate complaint, petition, application, position paper, memorandum, all types of pleadings and motions, verifications, affidavit-complaint, counter-affidavit, affidavit of merit, affidavit of desistance, affidavit of witness, and all other affidavits of whatever nature, certificate of non-forum shopping,

powers of attorney, certifications, and all other instruments as may be necessary or proper;

- (3) to represent the Company or to designate, name, and appoint a representative or an attorney-in-fact in behalf of the company during the investigation, inquest, preliminary investigation, preliminary conference, pre-trial, mediation, conciliation, arbitration, trial, execution, and all other stages of or incidents related to the case, proceeding or action; to negotiate, enter into, and agree to an amicable settlement, compromise agreement, plea bargaining, admissions or stipulations of fact or documents, simplification of issues, limitation on the number of witnesses, alternative modes of dispute resolution, withdrawal, dismissal or waiver of claim or action; and to perform and execute any and all actions or deeds as may aid in the prompt disposition of such cases, proceedings, or actions filed in behalf of or against the Company;

"RESOLVED, FURTHER, that any previous resolution of the Board of Directors on the same subject matter that is inconsistent herewith shall be deemed terminated, superseded and revoked."

Pursuant to the above resolutions, it is hereby certified that MERALCO is authorized to file the Application with the Energy Regulatory Commission (ERC) entitled "IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO RETIRE THE MAKATI SUBSTATION LOCATED AT BARANGAY STA. CRUZ, MAKATI CITY AND TO WITHDRAW FROM SERVICE CERTAIN EQUIPMENT AND MACHINERY INSTALLED IN SAID SUBSTATION, WITH PRAYER FOR PROVISIONAL AUTHORITY" and that Atty. JOSE RONALD V. VALLES, Vice President and Head, Regulatory Affairs, is an authorized representative and signatory of the Company with respect to the aforesaid application.

WITNESS THE SIGNATURE of the undersigned as such officer of the Company and its corporate seal hereunto affixed on this 10 day of November 2016.

NOV 10 2016

WILLIAM S. PAMINTUAN
Assistant Corporate Secretary

NOV 10 2016

SUBSCRIBED AND SWORN to before me this 10 day of November 2016, affiant exhibited to me his Taxpayer Identification Number (TIN) 146-473-562, issued by the Bureau of Internal Revenue (BIR) as his competent evidence of identity.

Doc. No. 109;
Page No. 23;
Book No. II;
Series of 2016.

ATTY. RAYMOND B. YAP
NOTARY PUBLIC
Pasig, Paternos, Taguig & San Juan
Issued on April 6, 2015 at Pasig City
until December 31, 2016
Roll No. 55889; IBP No. 1923728; 01/08/16; Capiz
PTR No. 1473414; 01/21/16; Pasig City
7th Floor, Lopez Bldg., Ortigas Ave., Pasig City



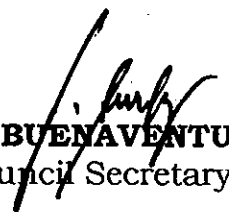
Republic of the Philippines
SANGGUNIANG PANLUNGSOD
City Government of Pasig

ACKNOWLEDGMENT

This is to acknowledge the receipt of a copy of Manila Electric Company (MERALCO) verified Application entitled **"IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO RETIRE THE MAKATI SUBSTATION LOCATED AT BARANGAY STA. CRUZ, MAKATI CITY AND TO WITHDRAW FROM SERVICE CERTAIN EQUIPMENT AND MACHINERY INSTALLED IN SAID SUBSTATION, WITH PRAYER FOR PROVISIONAL AUTHORITY,"** with *attached Annexes*, being served by MERALCO, prior to its filing with the Energy Regulatory Commission (ERC).

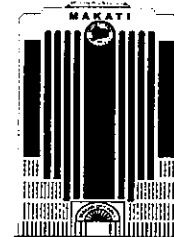
This acknowledgment is being issued upon the request of MERALCO for whatever legal intents and purposes it may served.

Issued this **22nd** day of **November 2016** at Pasig City.


REYNALDO R. SAN BUENAVENTURA III
Acting City Council Secretary



REPUBLIKA NG PILIPINAS
LUNGSOD NG MAKATI



**OFFICE OF THE SECRETARY
TO THE SANGGUNIAN PANLUNGSOD**

A C K N O W L E D G M E N T

This is to acknowledge the receipt of a copy of Manila Electric Company's (MERALCO) verified Application entitled **"IN THE MATTER OF THE APPLICATION FOR AUTHORITY TO RETIRE THE MAKATI SUBSTATION LOCATED AT BARANGAY STA. CRUZ, MAKATI CITY AND TO WITHDRAW FROM SERVICE CERTAIN EQUIPMENT AND MACHINERY INSTALLED IN SAID SUBSTATION, WITH PRAYER FOR PROVISIONAL AUTHORITY"** with attached Annexes, served by MERALCO, prior to its filing with the Energy Regulatory Commission (ERC).

This acknowledgment is being issued upon the request of MERALCO for whatever legal intents and purposes it may serve.

Issued this 18th day of November 2016, Makati City.

For Sangguniang Panlungsod:

ATTY. DINDO R. CERVANTES
Secretary to the Sangguniang Panlungsod

not valid without Dry Seal
OSSP-C-2016-A-086

/rojer

Makati. Mahalin Natin ... Atin Ito.

Malaya Business Insight

People's Independent Media, Inc.
652 Sto. Tomas St.,
Intramuros, Manila
Tel. Nos. 527-1841 * 527-7242

12. In further support of the Application, attached hereto are the following documents:

Annex "A" - Schematic Diagram showing the exact location of Makati Substation and pictures thereof.

Annex "B" - Detailed List of Equipment and Machinery to be re-used and/or retired in Makati Substation, with corresponding specifications and values.

Annex "C" - Load Simulation/study conducted on the effect of withdrawal from service of said equipment and machinery.

ISSUANCE OF PROVISIONAL AUTHORITY

13. The issuance of Provisional Authority is warranted under the circumstances considering that there is no reason to continue energizing the Makati substation as the loads thereof may be transferred to adjacent source circuit. More importantly, the conversion of the loads of Makati Substation to 34.5 kV will result in the reduction of technical system loss and improvement of the electric service. The phasing out of isolated odd-voltage system. The immediate retirement of Makati Substation is also necessary in preparation for the development of Makati 115 kV GIS Substation in RY2017 using the same lot. The development of the aforesaid GIS Substation is intended to augment capacity deficiency in Makati City by 2017.

14. In further support of the Application and prayer for issuance of provisional authority, attached as **Annex "D"** is the Judicial Affidavit of Engr. Roberto D. Isip Jr., Manila Applicant's Network Asset Planning Office.

PRAYER

WHEREFORE, it is respectfully prayed to this Honorable Commission that: (1) Application for Retirement of Substation and withdrawal from service of equipment and machinery installed in said substation be APPROVED; and (2) Applicant be ALLOWED to re-use equipment in said substation that will not be retired.

Pending hearing, it is further prayed that a provisional authority be issued to Applicant.

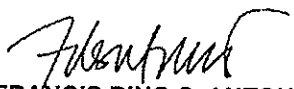
Other relief just and equitable under the premises are hereby prayed for.

Pasig City, 10 November 2016.

MANILA ELECTRIC COMPANY

Applicant

Lopez Building, Ortigas Avenue,
Barangay Ugong, Pasig City


FRANCIS DINO S. ANTONIO
Counsel for Applicant

Roll of Attorneys No. 48145

PTR No. 1473407; 01/21/16; Pasig City

IBP No. 1023724; 01/08/16; RSM

MCLE Compliance No. V-0004608; 6 November 2016


MONICA M. MARTIN
Counsel for Applicant

Doc. No. 423
Page No. 84
Book No. IV
Series of 2016

AFFIDAVIT OF PUBLICATION

I, **Mitchell M. Encarnado**, Filipino of legal age, married and residing at No. 1131 Prudencio St., Sampaloc, Manila after having been duly sworn to in accordance with law, depose and say:

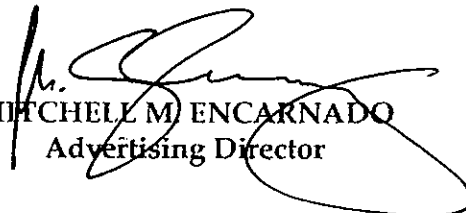
That I am the Advertising Director of Malaya Business Insight, a daily newspaper published, edited and printed in Metro Manila and circulated nationwide, from Monday to Friday with editorial and business offices at 652 Sto. Tomas St., Intramuros, Manila.

That the attached copy of Application from ERC, re: Manila Electric Company (MERALCO)-Applicant,

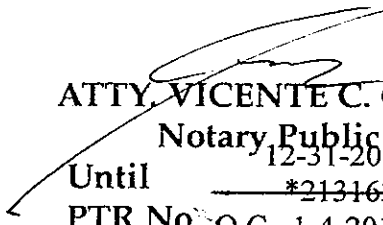
was published in Malaya Business Insight in its issue/s

November 14, 2016

In witness whereof, I signed this affidavit in Manila Philippines, this 14th day of Nov. 2016


MITCHELL M. ENCARNADO
Advertising Director

Subscribed and Sworn to before me this 14th day of Nov. 2016, in Mla. Philippines, affiant exhibiting to me his Res. Cert. No. *16013647 issued at Mla on *6-17-2015 SSS No. 04-0922169-7


ATTY. VICENTE C. CRUZ
Notary Public

Until 12-31-2017

*2131633

PTR No. Q.C., 1-4-2016

Notary Public No. 003

IBP Lifetime Member No. 02322

Business Insight

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PH makes
big push for
IMP-EAGA
Page A2



PAL orders
5 turboprops
from Bombardier
Page A3

San Miguel
debt ratios
improve
Page A3

Company	Debt Ratio
San Miguel	1.1x
San Gabriel	1.2x
San Carlos	1.3x
San Juan	1.4x
San Antonio	1.5x
San Pedro	1.6x
San Francisco	1.7x
San Jose	1.8x
San Diego	1.9x
San Luis	2.0x

San Gabriel
plant to sell power
in spot market
Page A4

Trump's business
empire poses conflict
of interest
Page A6



Ayala hopeful on car, power investments

THE country's oldest property developer is hopeful on its businesses, power and cars. While property and banking remain to be the biggest profit contributors in the conglomerate, earnings from its car group more than tripled in the first nine months of the year and its power group, fast becoming a "meaningful part of its portfolio, according to Fernando Zobel, Ayala's president.

Highlights

- AC profits up 11%.
- ALI profits up 17%.
- BPI earnings up 23%.
- Globe earnings down 17%.
- Manila Water profits up 6%.
- AC Industrials profits up 25%.
- Ayala Automotive income up threefold.
- AC Energy profits down 28%.

The company recorded profits of P1.1 billion for the first nine months of the year, up 11 percent from P1.0 billion last year. Equity contribution business units contributed P23.6 million, up 10 percent from last year.

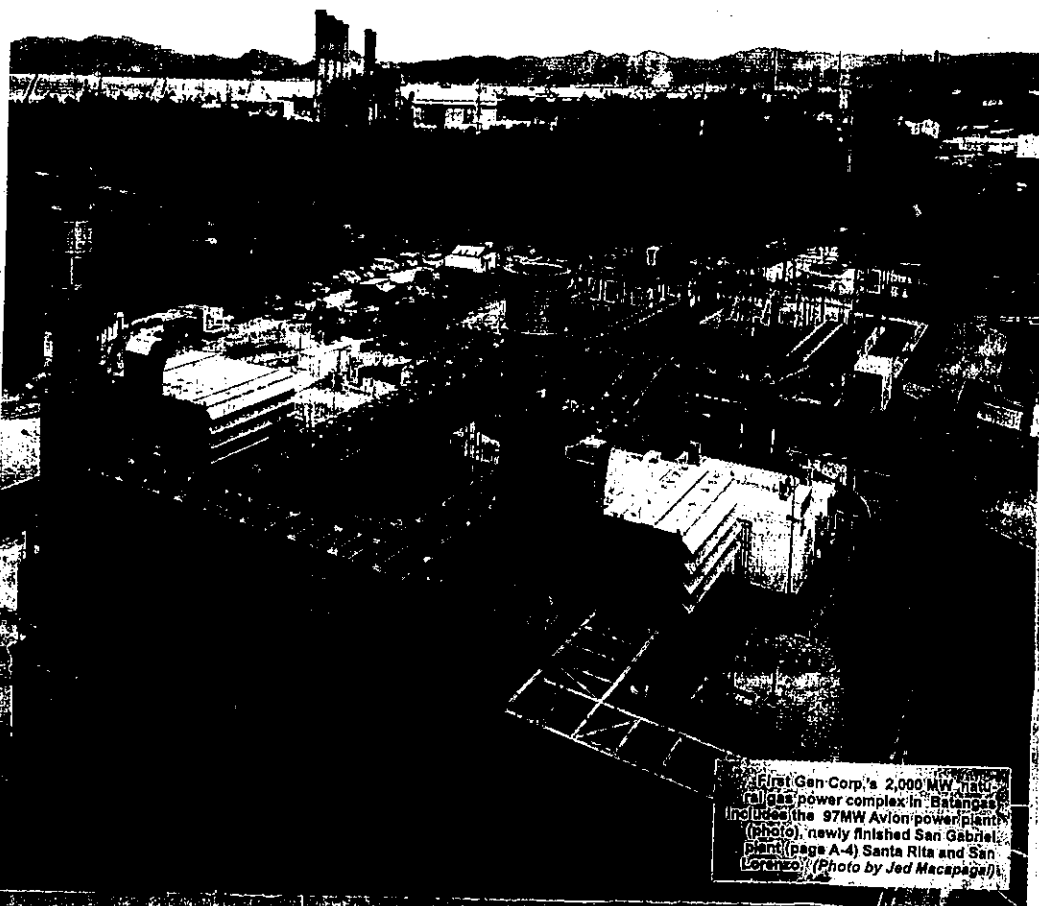
Id equity earnings from the Bank of the Philippine Islands and Ayala Land, rose 23 percent and 17 percent, respectively, while equity earnings from Ayala Automotive nearly tripled in the period.

they execute on their individual 2020 strategies, our business continue to perform well and within targets," said Zobel. "We develop new investments, we are happy to see our business emerging to be a significant player. With 1,000 units in attributable capacity, AC Energy is beginning to be a major contributor to the country's energy requirements. We expect it to be a meaningful part of Ayala's portfolio in the years to come."

ly arm ALI posted profits of P15.1 billion, a 17 percent increase, driven by higher revenues from its residential, development and commercial leasing segments as well as commercial leasing.

l revenues grew 14 percent to P85.5 billion. Revenues from property development rose 12 percent to P22.2 billion.

3 Pinoy groups vie for Chevron assets



First Gen Corp.'s 2,000 MW natural gas power complex in Batangas includes the 97MW Avon power plant (photo), newly finished San Gabriel plant (page A-4) Santa Rita and San Lorenzo. (Photo by Jed Macapagal)

Policy needed for LNG dev't

BATANGAS CITY—First Gen Corp., building a \$1-billion (P48.5 billion) regasification terminal in this city, is calling on government for a policy to serve as guide for investors in liquefied natural gas (LNG).

"There's a lot of infrastructure that you need to build, the regasification terminal for one and we know that Malampaya will be depleted by 2022 or 2024. When that comes, plants supplying 2,000 megawatts of electricity will need that fuel supply," said CEO and President of First Gen, Ramon Alcaraz. He said the company is looking for a policy that will guide investors in the LNG industry, particularly in the area of fuel supply and infrastructure.

and chief operating officer, said the industry needs policy support to ensure the development of LNG as part of the fuel mix.

"We need government's full support to make sure that we carve out a role for gas because we don't want these existing facilities and then suddenly we will run out of gas and be left with no options," Puno said. "A bill about the LNG policy, containing the basic elements of the industry, is pending in the Senate."

He said the company is looking for a policy that will guide investors in the LNG industry, particularly in the area of fuel supply and infrastructure.

Tiwi Makban steam field for sale

BY JED MACAPAGAL

THREE Filipino groups have been shortlisted to buy the geothermal assets of Chevron in the Philippines and Indonesia. For sale is the steam field of Tiwi Makban in the Philippines and steam power plants in Indonesia.

The Filipino groups include Energy Development Corp., which partnered with Japanese power companies Mitsui and Kyushu, Aboitiz Group and Marubeni. Ayala Group with another Japanese partner, plus two foreign groups.

"They were seven groups that submitted bids but only five were shortlisted," First Gen senior vice president and chief finance officer, Nestor Vasay told reporters during First Gen's power plant inauguration in Batangas.

Vasay said that First Gen submitted the bid.

Restaurant's winning formula

BY IRMA ISIP

Inside the restaurant's kitchen.



TO THE PUBLIC

NOTICE
MARINA Circular
13-02, NOTICE
served to the
owner, L.M.
AND ENELING.
fishing vessel name
A. MOUSCA S with
No. 99-0003247 and
of Ownership
123 and Certificate
per
Deed of Sale dated
14-11-2018. The
used to change the
a fishing vessel to
L.V. Any person(s)
who may have
its on the above
fishing vessel may
claims in writing
Maritime Industry
BUREAU, Portview
Bldg. Ave. cor. T.M.
Emilia, Manila
on (7) working
the date of this
Nov 14, 2018

NOTICE OF LOSS

Notice is hereby
given that Petron
Corporation Stock
Certificates No.
0001424190 for (313
shares); 0001207605
for (313 shares);
0000696890 for
(250 shares) and
0000384921 for (1000
shares) issued to
Honorable O. Victoria
have been reported
lost. All claims will be
barred after one year
and the lost certificates
will be considered
cancelled after which
new certificates will be
issued to the registered
owner.
Malaya - Oct. 31, Nov. 7 & 14, 2018

NOTICE OF LOSS

MANUEL CORPORATION
Notice is hereby given
that the following
stock certificates have
been reported lost -
Charmaine V. Canillas
- Preferred 2-A 120196
for 2,000 shares. All
claims will be barred
after one year and the
lost certificates will be
considered cancelled
after which new certificate
will be issued to the registered
owner.
Malaya - Nov. 14, 21 & 28, 2018

Republic of the Philippines
Province of Bohol
MUNICIPALITY OF TALIBON

INVITATION TO BID
Municipality of Talibon, through its Bids and Awards Committee
files contractors registered and classified by the Philippine Contractors
on Board (PCAB) to apply for eligibility and to bid for the hereunder

Location	Brief Description	Approved ABC	Contract Duration
Brgy. Poblacion & Brgy. San Jose, Talibon, Bohol	Mobilization/ Demobilization, Clearing & Grubbing, Embankment, Aggregate Sub-Base Course, Aggregate Base Course, Portland Cement Concrete Pavement, Pipe Culvert & Storm Drains, Riprap & Grouted Riprap	P 12,744,660.16	135.0 C.D.

ive Bidders should possess a valid PCAB License applicable to the
completed similar contract with value of at least 50% of the ABC, and
sonnel and equipment available for the prosecution of the contract. The
non-discretionary pass/fail criteria in the Eligibility Check/Screening as
Eligibility Examination of Bids. The BAC will conduct post-qualification
calculated bid.

ulars relative to Eligibility Statement and Screening, Bid Security,
Security, Pre-Bidding Conference, Evaluation of Bids, Post-
Award of Contract shall be governed by the pertinent provisions of
its Implementing Rules and Regulation (IRR).

ule of BAC activities is as follows:

AC Activities	Schedule
ement Conference	November 11, 2016 (10:00AM)
ment	November 14-21, 2016
of Bid Documents	November 16, 2016 - December 5, 2016
ference	November 22, 2016 (10:00AM)
on and Opening of Bids	December 5, 2016 (10:00AM)
ion	December 7, 2016 3:00 PM
calith	December 9, 2016
ward	December 12, 2016

ents will be available to prospective bidders at the Municipal
ice, Talibon, Bohol upon payment of non-refundable amount of Five
(\$5,000.00) to the Office of the Municipal Treasurer.

ality of Talibon assumes no responsibility whatsoever to compensate
ders for any expenses incurred in the preparation of the bid.

(Sgd.) LORENZO R. FLORES
Municipal Engineer
BAC Chairman
November 14, 2016

PROVINCE OF PANGASINAN
BIDS AND AWARDS COMMITTEE (BAC)
2nd Floor Malong Building, Capitol Compound
Lingayen, Pangasinan
Tel. No. (075) 542-6918
awards.pangasinan.gov.ph, E-mail address: goodandzas7@yahoo.com

INVITATION TO BID
Pangasinan, through its Bids and Awards Committee (BAC), invites
ers/distributors/contractors to bid for the projects described

- Construction of Offices at 3rd Floor of Calasiao Municipal Hall
Calasiao, Pangasinan
- Repair of Schools and Community Projects
(PR#2016-10-15218)
- P 5,000,000.00
- One Hundred Thirty-Five (135) Calendar Days
- Extension of Main Building
PPH, Bolingit, San Carlos City, Pangasinan
- Community Development Projects (PR#2016-10-15245)
- P 5,000,000.00
- One Hundred Fifty (150) Calendar Days
- Delivery of Agricultural Supplies (Certified Palay Seeds and
Fertilizers) (refer to bid documents)
- PGO, Lingayen, Pangasinan (for the PMA Production Subsidy
Assistance Program in the Province)
- Corn Production Program and Food Production Program/
Agricultural Productivity Enhancement (PR#2016-09-14106)
- P 14,100,000.00
- Pinino citizens/sole proprietorships, organizations with at least
Goods Projects) and seventy-five percent (75%) (for Civil Works
belongs to citizens of the Philippines (for Goods Projects), and to
country the laws or regulations of which grant similar rights or
a pursuant to RA 5183 and subject to Commonwealth Act 138.

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

IN THE MATTER OF THE
APPLICATION FOR AUTHORITY
TO RETIRE THE MAKATI
SUBSTATION LOCATED AT
BARANGAY STA. CRUZ, MAKATI
CITY AND TO WITHDRAW FROM
SERVICE CERTAIN EQUIPMENT
AND MACHINERY INSTALLED IN
SAID SUBSTATION, WITH PRAYER
FOR PROVISIONAL AUTHORITY,

MANILA ELECTRIC COMPANY
(MERALCO),
Applicant.

APPLICATION

Applicant MANILA ELECTRIC COMPANY (MERALCO), by
undersigned counsel, and to this Honorable Commission, most
respectfully avers that:

- Applicant is a private corporation duly organized and
existing under the laws of the Republic of the Philippines,
with principal office located at Lopez Building, Ortigas
Avenue, Barangay Ugong, Pasig City. It may be served
with notices and other processes of this Honorable
Commission through its undersigned counsel at the
address indicated herein.
- Applicant has a legislative franchise to construct, operate
and maintain an electric power distribution system for
the conveyance of electric power to the end-users in the
cities and municipalities of Metro Manila, Bulacan, Cavite
and Rizal, and certain cities/municipalities/barangays in
Batangas, Laguna, Quezon and Pampanga, pursuant to
Republic Act No. 9209.
- Applicant seeks for authority to retire the Makati Substation
and withdraw certain equipment and machineries in said
substation.
- The instant Application is filed pursuant to the following:
 - Distribution Services and Open Access Rules
(DSOAR)
"1.7 No DU shall increase, substitute or withdraw from
service any of its authorized equipment and machinery
without the prior authority from the ERC, except in
case of emergency whereby the ERC shall be notified
not later than seventy-two (72) hours of such increase,
substitution or withdrawal of authorized equipment.
Provided, however, that the utility shall comply with the
ERC's application for retirement."
 - Amendments to DSOAR
"1.7.1
xxx
The DU may increase, substitute or withdraw from
service its authorized equipment and machinery in
accordance with the Rules for Approval of Regulated
Entities' Capital Expenditure Projects, RDWR and other
ERC Rules. If such undertaking is not covered by the
RDWR or other Rules, authorization shall be secured
from the ERC in accordance with pertinent provision
of the Rules for Approval of Regulated Entities' Capital
Expenditure Projects."
 - Decision dated December 1, 2010¹ in ERC Case No.
2009-118 MC² and Decision dated December 12,
2011³ in ERC Case No.2010-146 RC⁴
In both Decisions, the Honorable Commission ruled
that, "A perusal of evidence showed that the retirement
of substations and withdrawal of the equipment and
machineries installed therein will redound to the
benefit of the consumers in terms of reliable and
efficient power supply as mandated by Republic Act
9136, or the Electric Power Industry Reform Act of
2001 (Section 2, Declaration of Policy) - (b) "to ensure
the quality, reliability, security and affordability of the
supply of electric power."

xxx

THE DU may increase, substitute or withdraw from
service its authorized equipment and machinery in
accordance with the Rules for Approval of Regulated
Entities' Capital Expenditure Projects, RDWR and other
ERC Rules. If such undertaking is not covered by the
RDWR or other Rules, authorization shall be secured
from the ERC in accordance with pertinent provision
of the Rules for Approval of Regulated Entities' Capital
Expenditure Projects."

Decision dated December 1, 2010¹ in ERC Case No.
2009-118 MC² and Decision dated December 12,
2011³ in ERC Case No.2010-146 RC⁴
In both Decisions, the Honorable Commission ruled
that, "A perusal of evidence showed that the retirement
of substations and withdrawal of the equipment and
machineries installed therein will redound to the
benefit of the consumers in terms of reliable and
efficient power supply as mandated by Republic Act
9136, or the Electric Power Industry Reform Act of
2001 (Section 2, Declaration of Policy) - (b) "to ensure
the quality, reliability, security and affordability of the
supply of electric power."

In both Decisions, the Honorable Commission ruled
that, "A perusal of evidence showed that the retirement
of substations and withdrawal of the equipment and
machineries installed therein will redound to the
benefit of the consumers in terms of reliable and
efficient power supply as mandated by Republic Act
9136, or the Electric Power Industry Reform Act of
2001 (Section 2, Declaration of Policy) - (b) "to ensure
the quality, reliability, security and affordability of the
supply of electric power."

BACKGROUND

- The Makati Substation is located at corner Kakarong St.
and Pablo Ocampo Sr. Avenue extension, Barangay Sta.
Cruz, Makati City. The substation has one (1) 20 MVA,
34.5 kV - 6.24 kV power transformer bank and one (1)15
MVA 34.5kV - 6.24 kV power transformer bank.
- Makati Substation is one of the oldest MERALCO odd
voltage substations (with voltage other than 34.5 kV or
13.8 kV) and has been in service for more than forty five
(45) years.
- Applicant has programmed the gradual conversion of odd-
voltage systems (distribution system with voltages other
than 34.5 kV or 13.8 kV) to the ultimate standardized
20 kV/34.5 kV (line-to-neutral/line to line) distribution
voltage system within its franchise area. The voltage
standardization will reduce technical system loss, improve
flexibility and reliability of electric service by phasing out
isolated odd voltage systems and minimize equipment
inventory. Applicant continuously implements the
odd-voltage conversion program with the aim of having
standardized voltage within its franchise area.

12. In further support of the Application, attached hereto are
the following documents:

- Annex "A" - Schematic Diagram showing the exact
location of Makati Substation and pictures thereof.
- Annex "B" - Detailed List of Equipment and Machinery
to be re-used and/or retired in Makati Substation, with
corresponding specifications and values.
- Annex "C" - Load Simulation/study conducted on the
effect of withdrawal from service of said equipment and
machinery.

ISSUANCE OF PROVISIONAL AUTHORITY

13. The issuance of Provisional Authority is warranted under
the circumstances considering that there is no reason to
continue energizing the Makati substation as the loads
thereof may be transferred to adjacent source circuits.
More importantly, the conversion of the loads of Makati
Substation to 34.5 kV will result in the reduction of technical
system loss and improvement of the electric service by
phasing out isolated odd-voltage system. The immediate
retirement of Makati Substation is also necessary in
preparation for the development of Makati 115 kV-34.5
kV GIS Substation in RY2017 using the same lot. The
development of the aforesaid GIS Substation is intended
to augment capacity deficiency in Makati City by 2017.⁵

14. In further support of the Application and prayer for issuance
of provisional authority, attached as Annex "D" is the
Judicial Affidavit of Engr. Roberto D. Isip Jr., Manager of
Applicant's Network Asset Planning Office.

PRAYER

WHEREFORE, it is respectfully prayed to this Honorable
Commission that: (1) Application for Retirement of Makati
Substation and withdrawal from service of equipment and
machinery installed in said substation be APPROVED; and (2)
Applicant be ALLOWED to re-use equipment in said substation
that will not be retired.

Pending hearing, it is further prayed that a provisional authority
be issued to Applicant.

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

Pasig City, 10 November 2016.

MANILA ELECTRIC COMPANY
Applicant
Lopez Building, Ortigas Avenue,
Barangay Ugong, Pasig City

Francis Dino S. Antonio
Counsel for Applicant
Roll of Attorneys No. 48145
PTR No. 1473407; 01/21/16; Pasig City
IBP No. 1023724; 01/08/16; RSM
MCLE Compliance No. V-0004608; 6 November 2014

Monica M. Martin
Counsel for Applicant
Roll of Attorneys No. 55693
PTR No. 1473411; 01/21/16; Pasig City
IBP No. 1023726; 01/08/16; RSM
MCLE Compliance No. V-0002591; 9 June 2014

7th Floor, Lopez Building
Ortigas Avenue, Barangay Ugong, Pasig City
Tel. no: 1622-2260; Fax No: 1622-3550
Email: regulatory.legal.admin@meralco.com.ph

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG } S.S.

VERIFICATION AND CERTIFICATION OF NON-FORUM
SHOPPING

I, JOSE RONALD V. VALLES, Filipino, of legal age, married,
with office address at 7th Floor, Lopez Building, MERALCO
Compound, Ortigas Avenue, Pasig City, after being sworn in
accordance with law, hereby depose and say that-

- I am the Vice-President and Head, Regulatory Affairs
Office, of Applicant Manila Electric Company (MERALCO).
In such capacity, I have caused the preparation and filing
of the foregoing Application;
- Moreover, I have been authorized by the Board of Directors
of MERALCO to certify that Applicant has not heretofore
filed any similar action, pleading or application involving
the same issues before the Supreme Court, the Court of
Appeals or any other lower courts or administrative bodies.
A copy of the Secretary's Certificate authorizing me to
cause the preparation of the instant Application and sign
this Verification and Certification is attached hereto as
ANNEX "E";
- I have read and understood the allegations contained

City/Municipality	Aggregates Sub-Base Course, Aggregates Base Course, Portland Cement Concrete Pavement, Pipe Culvert & Storm Drains, Riprap & Grouted Riprap	P 12,744,660.16	135.0 C.D.
Aggregates Sub-Base Course, Aggregates Base Course, Portland Cement Concrete Pavement, Pipe Culvert & Storm Drains, Riprap & Grouted Riprap			

Bidders should possess a valid PCAB License applicable to the completed similar contract with value of at least 50% of the ABC, and personnel and equipment available for the prosecution of the contract. The non-discretionary pass/fail criteria in the Eligibility Check/Screening as preliminary Examination of Bids. The BAC will conduct post-qualification calculated bid.

ulars relative to Eligibility Statement and Screening, Bid Security, Security, Pre-Bidding Conference, Evaluation of Bids, Post-Award of Contract shall be governed by the pertinent provisions of its Implementing Rules and Regulation (IRR).

chedule of BAC activities is as follows:

BAC Activities	Schedule
Pre-Bidding Conference	November 11, 2016 (10:00AM)
Opening of Bids	November 14-21, 2016
Pre-Bidding Conference	November 16, 2016 – December 5, 2016
Pre-Bidding Conference	November 22, 2016 (10:00AM)
Pre-Bidding Conference	December 5, 2016 (10:00AM)
Pre-Bidding Conference	December 7, 2016
Pre-Bidding Conference	December 9, 2016
Pre-Bidding Conference	December 12, 2016

ments will be available to prospective bidders at the Municipal Office, Talibon, Bohol upon payment of non-refundable amount of Five Pesos (P5,000.00) to the Office of the Municipal Treasurer.

Specialty of Talibon assumes no responsibility whatsoever to compensate bidders for any expenses incurred in the preparation of the bid.

(Sgd.) LORENZO R. FLORES
Municipal Engineer
BAC Chairman

November 14, 2016

PROVINCE OF PANGASINAN
BIDS AND AWARDS COMMITTEE (BAC)
2nd Floor Malong Building, Capitol Compound
Lingayen, Pangasinan
Tel. No. (075) 542-6918
andawards.pangasinan.gov.ph, E-mail address: ebrendoza57@yahoo.com

INVITATION TO BID

Pangasinan, through its Bids and Awards Committee (BAC), invites bidders/distributors/contractors to bid for the project/s described

- Construction of Offices at 3rd Floor of Calasiao Municipal Hall, Calasiao, Pangasinan
- Repair of Schools and Community Projects (PR#2016-10-15218)

- P 5,000,000.00
- One Hundred Thirty-Five (135) Calendar Days

- Extension of Main Building
- PPH, Balingit, San Carlos City, Pangasinan
- Community Development Projects (PR#2016-10-15245)

- P 5,000,000.00
- One Hundred Fifty (150) Calendar Days

- Delivery of Agricultural Supplies (Certified Palay Seeds and Fertilizers) (refer to bid documents)
- PGO, Lingayen, Pangasinan (for Rice Production Subsidy Assistance Program in the Province)
- Corn Production Program and Food Production Program/ Agricultural Productivity Enhancement (PR#2016-09-14106)

- P 14,100,000.00

to Filipino citizens/sole proprietorships, organizations with at least 60% Filipino ownership and seventy-five percent (75%) (for Civil Works) belongs to citizens of the Philippines (for Goods Projects), and to a country the laws or regulations of which grant similar rights or citizens pursuant to RA 5183 and subject to Commonwealth Act 138.

conducted through open competitive bidding procedures using a "pass/fail" criterion as specified in the revised Implementing Rules and Regulations of Republic Act 9184 otherwise known as the "Government Procurement Act".

to the Eligibility Statement and Screening, Bid Security, Pre-Bidding Conference, Evaluating of Bids, Post Qualification shall be governed by the pertinent provisions of R.A. 9184 and its Regulations (as amended).

of activities is listed, as follows:

Miles	Schedule
Conference	November 2, 2016; 10:00am
Documents	November 8, 2016 – November 29, 2016
Pre-Bidding Conference	November 17, 2016; 10:00am
Pre-Bidding Conference	November 29, 2016; 10:00 am

their duly accomplished eligibility requirements, technical and separate sealed envelopes at the abovementioned address, sealed by a bid security in any of the acceptable forms. Late Bids

be available at the BAC Office, 2/F Malong Building, Capitol Pangasinan upon payment to the Provincial Treasurer's Office the Accreditation Fee for new bidders, and a non-refundable amount of project for project No. 18.2 and P15,000,000/bidder for project Treasurer's Office. Prospective bidders shall submit their Bid Office at the same address.

ed free of charge from the website of the Philippine Government System (PhilGEPS) and the website of the Procuring Entity, and pay the fee for the Bidding Documents not later than the

man assumes no responsibility whatsoever to compensate or expenses incurred in the preparation for their bids. Moreover, reserves the right to reject any or all bid proposals, or declare not award the contract, and makes no assurance that contract result of this invitation without thereby incurring any liability in and its Implementing Rules and Regulations.

ERIA

Malaya - Nov. 14, 2016

- Applicant has a legislative franchise to construct, operate and maintain an electric power distribution system for the conveyance of electric power to the end-users in the cities and municipalities of Metro Manila, Bulacan, Cavite and Rizal, and certain cities/municipalities/barangays in Batangas; Laguna, Quezon and Pampanga, pursuant to Republic Act No. 9209.

- Applicant seeks for authority to retire the Makati Substation and withdraw certain equipment and machineries in said substation.

- The instant Application is filed pursuant to the following:

- Distribution Services and Open Access Rules (DSOAR)

"1.7 No DU shall increase, substitute or withdraw from service any of its authorized equipment and machinery without the prior authority from the ERC, except in case of emergency whereby the ERC shall be notified not later than seventy-two (72) hours of such increase, substitution or withdrawal of authorized equipment. Provided, however, that the utility shall comply with the ERC's application for retirement."

- Amendments to DSOAR

"1.7.1

x x x

The DU may increase, substitute or withdraw from service its authorized equipment and machinery in accordance with the Rules for Approval of Regulated Entities' Capital Expenditure Projects, RDWR and other ERC Rules. If such undertaking is not covered by the RDWR or other rules, authorization shall be secured from the ERC in accordance with pertinent provision of the Rules for Approval of Regulated Entities' Capital Expenditure Projects."

- Decision dated December 1, 2010¹ in ERC Case No. 2009-118 MC² and Decision dated December 12, 2011³ in ERC Case No.2010-146 RC⁴

In both Decisions, the Honorable Commission ruled that, "A perusal of evidence showed that the retirement of substations and withdrawal of the equipment and machineries installed therein will redound to the benefit of the consumers in terms of reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy - (b) "to ensure the quality, reliability, security and affordability of the supply of electric power."

BACKGROUND

- The Makati Substation is located at corner Kakarong St. and Pablo Ocampo Sr. Avenue extension, Barangay Sta. Cruz, Makati City. The substation has one (1) 20 MVA, 34.5 kV - 6.24 kV power transformer bank and one (1)15 MVA 34.5kV - 6.24 kV power transformer bank.

- Makati Substation is one of the oldest MERALCO odd voltage substations (with voltage other than 34.5 kV or 13.8 kV) and has been in service for more than forty five (45) years.

- Applicant has programmed the gradual conversion of odd-voltage systems (distribution system with voltages other than 34.5 kV or 13.8 kV) to the ultimate standardized 20 kV/34.5 kV (line-to-neutral/line to line) distribution voltage system within its franchise area. The voltage standardization will reduce technical system loss, improve flexibility and reliability of electric service by phasing out isolated odd voltage systems and minimize equipment inventory types. Applicant continuously implements the Odd-Voltage Conversion Program with the aim of having standard voltage systems for its entire franchise area.

- Hence, Applicant seeks authority from the Honorable Commission to retire the Makati Substation and withdraw from service the equipment and machinery installed therein in line with the said program.

- With the retirement of the Makati Substation, the 6.24 kV loads will be transferred to 34.5 kV circuits New Rockwell 436W, 424W/425W, Paco 416VY, Kamagong 48VK, 49VK and 51VK. The transfer of said loads will eliminate the redundant 34.5 kV-6.24 kV step-down stage.

- The retirement of the said power transformer banks and the complete conversion to 34.5 kV of the circuits in the Makati Substation, will result in technical system loss reduction of approximately 939,146 KWHR annually.

- Currently, Makati Substation is part of Applicant's Regulatory Asset Base (RAB). Upon its retirement, some of the equipment and machinery will be reused for distribution services and others will be withdrawn from service. The total amount for equipment and machinery that will be withdrawn from service is Five Million Two Hundred Six Thousand One Hundred Seventy Eight Pesos, (PhP 5,206,178).

1 Decision, Page 9.
"A perusal of the evidence herein showed that the retirement of the Morong, Giga-Gaya and Mauban substations and withdrawal of the equipment and machineries installed therein in the accordance with MERALCO's Conversion Program will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy - (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."
2 In the Matter of the Application for Authority to Retire the Morong Substation located at Morong, Province Rizal, the Giga-Gaya Substation located at San Jose Del Monte, Province of Bulacan and the Mauban Substation located at Mauban, Province of Quezon and to Withdraw from Service Certain Equipment and Machinery Installed in the said Substations, with Prayer for Provisional Authority.
3 Decision, page 9.
A perusal of the evidence presented herein showed that the retirement of substations in Cavite, Lucena II, Pagbio, Forbes Park and Tondo as well as the withdrawal of the equipment and machineries installed therein, will redound to the benefit of the consumers in terms of continuous, reliable and efficient power supply as mandated by Republic Act 9136, or the Electric Power Industry Reform Act of 2001 (Section 2. Declaration of Policy - (b) "to ensure the quality, reliability, security and affordability of the supply of electric power)."
4 In the Matter of the Application for Authority to Retire (1) The Cavite Substation located at Cavite City, (2) The Lucena II Substation located at Lucena City, Quezon Province, (3) Pagbio Substation located at Pagbio, Quezon Province, (4) Forbes Park Substation

PRAYER

WHEREFORE, it is respectfully prayed to this Honorable Commission that: (1) Application for Retirement of Makati Substation and withdrawal from service of equipment and machinery installed in said substation be APPROVED; and (2) Applicant be ALLOWED to re-use equipment in said substation that will not be retired.

Pending hearing, it is further prayed that a provisional authority be issued to Applicant.

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

Pasig City, 10 November 2016.

MANILA ELECTRIC COMPANY
Applicant

Lopez Building, Ortigas Avenue,
Barangay Ugong, Pasig City

Francis Dino S. Antonio
FRANCIS DINO S. ANTONIO
Counsel for Applicant
Roll of Attorneys No. 48145

PTR No. 1473407; 01/21/16; Pasig City
IBP No. 1023724; 01/08/16; RSM

MCLE Compliance No. V-0004608; 6 November 2014

Monica M. Martin
MONICA M. MARTIN
Counsel for Applicant
Roll of Attorneys No. 55693

PTR No. 1473411; 01/21/16; Pasig City
IBP No. 1023726; 01/08/16; RSM

MCLE Compliance No. V-0002591; 9 June 2014

7th Floor, Lopez Building
Ortigas Avenue, Barangay Ugong, Pasig City
Tel no. 1622-2260; Fax No: 1622-3550
Email: regulatory.legal.admin@meralco.com.ph

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG } S.S.

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, JOSE RONALD V. VALLES, Filipino, of legal age, married, with office address at 7th Floor, Lopez Building, MERALCO Compound, Ortigas Avenue, Pasig City, after being sworn in accordance with law, hereby depose and say that—

- I am the Vice President and Head, Regulatory Affairs Office, of Applicant Manila Electric Company (MERALCO). In such capacity, I have caused the preparation and filing of the foregoing Application;
- Moreover, I have been authorized by the Board of Directors of MERALCO to certify that Applicant has not heretofore filed any similar action, pleading or application involving the same issues before the Supreme Court, the Court of Appeals or any other lower courts or administrative bodies. A copy of the Secretary's Certificate authorizing me to cause the preparation of the instant Application and sign this Verification and Certification is attached hereto as ANNEX "E";
- I have read and understood the allegations contained therein and the same are true and correct based on my personal knowledge and authentic records made available to me in the ordinary course of business of MERALCO;
- To the best of my knowledge, no similar action or proceeding is pending before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies;
- If I should hereafter learn that a similar action has been filed before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies, I undertake to report such fact to this Honorable Commission within five (5) days from notice of such fact.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 10th day of November 2016 at Pasig City, Philippines.

Jose Ronald V. Valles
JOSE RONALD V. VALLES
Affiant

SUBSCRIBED and SWORN to before me this 10th day of November 2016, affiant having exhibited to me his Social Security System ID bearing the number 33-10900088.

Doc No. 110
Page No. 23
Book No. 11
Series of 2016.

5 See Annex "B-4" of MERALCO's Application for Authority to Implement the Proposed Capital Expenditure Program for Regulatory Year (RY) 2017 with prayer for provisional authority, (ERC Case 2016-017 RC)

Malaya - Nov. 14, 2016

ACCOUNTABLE FORM No. 51
Revised January, 1992

(ORIGINAL)

 ERC ENERGY REGULATORY COMMISSION - PHILIPPINES	Official Receipt of the Republic of the Philippines		
	0009032		
	No. 0009032		
Date		12/5/2016	
Agency ENERGY REGULATORY COMMISSION		Fund	
Payor MERALCO			
Nature of Collection	Account Code	Amount	
Filing Fee	4-02-01-130	P 1,400.00	
IELRF	2-00-00-000	14.00	
2016-SCMD-3726			
TOTAL		P 1,414.00	
Amount in Words one thousand four hundred fourteen pesos only			
☒ Cash	Drawee Bank	Number	Date
☐ Check			
☐ Money Order			
Received the amount stated above <i>Miranda</i> MILA A. MIRANDA Cashier II			
Collecting Officer			
NOTE: Write the number and date of this receipt on the back of check or money order received.			

payment received beyond out-off time 3 pm
Miranda 12-2-16



ENERGY REGULATORY COMMISSION

Http://www.erc.gov.ph

Pacific Center Building
San Miguel Ave, Pasig City
Phone 689-5372 loc.5378 Fax 638-4519

STATEMENT OF ACCOUNT

STATEMENT NO : 2016-SCMD-3726

BILL TO : MERALCO
Ortigas, Pasig City

DATE ISSUED : December 02, 2016

DUE DATE : December 07, 2016

PARTICULARS	AMOUNT
Application for Authority to Retire the Makati Substation and to Withdraw from Service Certain Equipment and Machinery Installed in Said Substation(Revenue Code: 4-02-01-010)	700.00
Provisional Authority (Revenue Code: 4-02-01-010)	700.00
P.L.R.F.(Revenue Code: 4-02-01-010)	14.00
TOTAL AMOUNT (Php)	1,414.00

ONE THOUSAND FOUR HUNDRED FOURTEEN PESOS

Approved by : ATTY. NATHAN J. MARASIGAN

OIC, LEGAL SERVICE

Approved by :

ATTY. FLORESINDA B. DIGAL

DIRECTOR III, ROS

Attested by :

ZYWEEN A. SEVILLEN

BILLING SECTION

OR 4 000 903 2
12.5.16



REGULATORY OPERATIONS SERVICE
Standards and Compliance Monitoring Division

MERALCO Retirement/Withdrawal Capex Application

1. Description of the project
2. Schematic Diagram showing the exact location of facilities to be retired or withdraw from service (preferably with pictures)
3. Detailed List of Equipment and Machinery to be re-used and/or retired from service (with corresponding specifications and values)
4. Load Simulation/study conducted on the effect of withdrawal from service of said equipment and machinery
5. Project cost estimates
6. Gantt chart schedule of the proposed projects
7. Board resolution or secretary's certificate approving the proposed projects

ASSESSED BY: R. E. MANTUBANG 12/11/2016

**PART II
LEGAL SERVICE**

REQUIREMENT	DETAILS	REMARKS
1. APPLICATION	DATE	10 November 2016
	SIGNED BY COUNSEL OF GENCO (Y/N)	
	SIGNED BY COUNSEL OF DU (Y/N)	Atty. Francis Dino S. Antonio Atty. Monica M. Martin
	NO. OF HARD COPIES	3
	NO. OF SOFT COPIES	3
2. VERIFICATION	GENCO	
	DATE	
	NOTARIZED (Y/N)	
	• ID PRESENTED	
	DU	
	DATE	10 November 2016
	NOTARIZED (Y/N)	Atty. Raymond Yap (notary public) - 10 November 2016
	• ID PRESENTED	USS ID of Jose Ronald V. Valles
3. CERTIFICATION AGAINST FORUM SHOPPING	GENCO	
	DATE	
	NOTARIZED (Y/N)	
	• ID PRESENTED	
	DU	
	DATE	10 November 2016
	NOTARIZED (Y/N)	Atty. Raymond Yap (notary public) - 10 November 2016
	• ID PRESENTED	USS ID of Jose Ronald V. Valles
4. AUTHORITY OF COUNSEL TO FILE THE APPLICATION	GENCO	
	BOARD RESO. (Y/N); or	
	SEC. CERT. (Y/N)	
	DU	
	BOARD RESO. (Y/N); or	
	SEC. CERT. (Y/N)	William Pamintuan - Assistant Corporate Secretary 10 November 2016
5. AUTHORITY TO EXECUTE VERIFICATION AND CERTIFICATION AGAINST FORUM SHOPPING	GENCO	
	BOARD RESO. (Y/N); or	
	SEC. CERT. (Y/N)	
	DU	
	BOARD RESO. (Y/N); or	
	SEC. CERT. (Y/N)	William Pamintuan - Assistant Corporate Secretary 10 November 2016
6. SERVICE TO LGUs	A) CERTIFICATION FROM PRESIDING OFFICER, SECRETARY OF THE LGU OR THEIR DULY AUTHORIZED REPRESENTATIVE	
	LGU OF: Pasig City	22 November 2016 - Reynaldo R. Van Buenaventura III
	LGU OF: Makati City	18 November 2016 - Atty. Dindo R. Cervantes
	LGU OF:	



6. SERVICE TO LOCAL GOVERNMENT UNIT (LGU) LEGISLATIVE BODY OF THE CITY OR MUNICIPALITY WHERE APPLICANTS PRINCIPALLY OPERATE	B) IN THE ABSENCE OF CERTIFICATION	
	LGU OF:	
	AFFIDAVIT OF SERVICE	
	APPLICATION WITH STAMP "RECEIVED"/ ACKNOWLEDGEMENT	
	LGU OF:	
	AFFIDAVIT OF SERVICE	
	APPLICATION WITH STAMP "RECEIVED"/ ACKNOWLEDGEMENT	
	LGU OF:	
	AFFIDAVIT OF SERVICE	
	APPLICATION WITH STAMP "RECEIVED"/ ACKNOWLEDGEMENT	
	C) IF NOT RECEIVED, REASON AND/OR PROOF OF REFUSAL	
	LGU OF:	REASON/PROOF:
	LGU OF:	REASON/PROOF:
	LGU OF:	REASON/PROOF:
7. PUBLICATION IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN APPLICANT'S FRANCHISE AREA	AFFIDAVIT OF PUBLICATION	
	• NEWSPAPER	<i>Mitchell M. Encardo - Advertising Director of Malaya Business Insight P. B3</i>
	• DATE OF PUBLICATION	<i>14 November 2016</i>
	NEWSPAPER ISSUE CONTAINING THE PUBLICATION	
	• APPLICATION	
	• VERIFICATION	
	• CERTIFICATION AGAINST FORUM SHOPPING	
	RANDOM REVIEW	RATE: OTHERS: PAR.
8. COMPETITIVE SELECTION PROCESS ⁸	PROOF OF CONDUCT OF CSP	
	BRIEF DESCRIPTION OF CSP CONDUCTED: PARS. _____ OF THE APPLICATION	1 ST CSP SUCCESSFUL (Y/N):
		2 ND CSP SUCCESSFUL (Y/N):
		2 FAILED CSPs, DIRECT NEGOTIATION (Y/N):
		OTHERS:
	DOCUMENTS PERTAINING THE CSP UNDERTAKEN: ANNEX _____ OF THE APPLICATION	INVITATION TO BID (Y/N):
		PROCUREMENT PROCESS (Y/N):
		PROPOSALS/OFFERS RECEIVED (Y/N):
		BAC'S EVALUATION REPORT (Y/N):
		BOARD RESOLUTION CONFIRMING EVAL. (Y/N):
		NOTICE OF AWARD (Y/N):
		OTHERS:

⁸ Pursuant to Secs. 1 and 2 of Resolution No. 13, Series of 2015 and Paragraph 2 of Resolution No. 1, Series of 2016.



8. COMPETITIVE SELECTION PROCESS	PROOF OF TERMS OF REFERENCE OF DU	
	A) REQUIRED/ CONTRACTED CAPACITY AND/OR ENERGY VOLUMES	
	B) GENERATION SOURCE	
	C) METHOD OF PROCUREMENT FOR FUEL, IF APPLICABLE	
	D) COOPERATION/ CONTRACT PERIOD	
	E) TARIFF STRUCTURE UNBUNDLED TO (INCLUDING DERIVATION):	
	• CAPACITY RECOVERY FEE	
	• VARIABLE AND FIXED O&M FEE	
	• FUEL FEE	
	• OTHERS	
	• BASE FEE ADJUSTMENT FORMULA, IF ANY	
	F) FORM OF PAYMENT	CURRENCY:
	G) PENALTIES, IF APPLICABLE	
	H) IF APPLICABLE, COMPLEMENTARY TRANSMISSION OR GRID CONNECTION PROJECTS	
	• PARTIES THAT WILL DEVELOP AND/OR OWN SAID FACILITIES	
	• RELATED COSTS	
	• PARTIES RESPONSIBLE FOR RECOVERY OF ANY RELATED COST	
	I) OTHER KEY PARAMETERS	

OTHER REMARKS:

Emelda Maira H. Hagad
Atty. Emelda Maira H. Hagad
2 December 2016