

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City

**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE PROPOSED  
CAPITAL EXPENDITURE  
PROJECTS FOR THE YEARS  
2022-2024 AND  
CONFIRMATION OF THE TWO  
(2) 2018 IMPLEMENTED  
CAPITAL EXPENDITURE  
PROJECTS**

**ERC CASE NO. 2024-052 RC**

**ZAMBOANGA DEL NORTE  
ELECTRIC COOPERATIVE,  
INC. (ZANECO),**

*Applicant.*

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**Promulgated:**

June 27, 2024

**ORDER**

On 11 April 2024, the Zamboanga del Norte Electric Cooperative, Inc. (ZANECO) filed an *Application* dated 26 February 2024, seeking the Commission's approval of its proposed Capital Expenditure (CAPEX) Projects for the years 2022 to 2024, and confirmation of its two (2) implemented CAPEX projects in year 2018.

The pertinent allegations in the said *Application* are hereunder quoted, as follows:

**THE APPLICANT**

1. Applicant ZANECO is an Electric Cooperative created and existing pursuant to the provisions of Presidential Decree No. 269 as amended, with principal office located at Dipolog City, Zamboanga del Norte, Philippines, represented herein by its General Manager, **Atty. Jordanne Chan-Antonio**, duly authorized by virtue of Resolution No. 19, Series of 2024 dated February 02, 2024 of the Board Directors, copy of which is attached hereto as **Annex "A"** and made an integral part hereof.

The filing of the instant Application is likewise authorized under the aforecited Board Resolution;



2. Applicant has been granted by the National Electrification Administration (NEA) an authority to operate and distribute electric light and power within the coverage area comprising the Cities of Dapitan and Dipolog, and the Municipalities of Rizal, Sibutad, La Libertad, Piñan, Mutia, Polanco, S. Osmeña, Katipunan, Roxas, Manukan, Jose Dalman, Sindangan, Siayan, Leon Postigo, Salug, Godod, Liloy, Labason, Gutalac, Tampilisan, and Kalawit, all in the Province of Zamboanga del Norte.

**THE APPLICATION AND ITS PURPOSE**

3. This Application is filed in compliance with ERC Resolution No. 26, Series of 2009 (A Resolution Amending the Rules for Approval of Regulated Entities’ Capital Expenditure Projects)” adopted pursuant to the mandate of Section 43 of Republic Act No. 9136 otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA) and its implementing Rules and Regulations, which categorically provides that all capital expenditure projects (CAPEX) shall be submitted to and for the approval of the Commission prior to its implementation, in relation to ERC Resolution No. 20, Series of 2011 which sets the timelines for the filing of the instant application;
4. The aforementioned amended rules was issued by the Honorable Commission to ensure that the projects are timely, appropriate, necessary and cost efficient; to ensure that the proposed capital projects are consistent with the Distribution Development Plan (DDP), the Philippine Grid Code (PGC), the Philippines Distribution Code (PDC), and other relevant government issuances; and to ensure that the procurement of equipment, materials and services are transparent, competitive and compliant with the applicable laws and regulations.
5. In accordance with the Amended CAPEX Rules, consistent with the Distribution Development Plan and the Philippine Distribution Code, Applicant shall acquire, construct and implement the following capital expenditure projects for the years 2018, 2022-2024, with a total approximate cost of **Five Hundred Seventy Million Five Hundred Fifty Six Thousand Six Hundred Seventy Three and 23/100 Pesos (PhP570,556,673.23)**.

**THE PROPOSED CAPITAL EXPENDITURE PROJECTS**

**Summary of the Proposed Projects with Corresponding Costs for the Years 2018, 2022-2024**

Proposed Projects			Project Cost (PhP)				
No.	Title	Type	2018	2022	2023	2024	Total
<b>Network Projects</b>							
1	Replacement of Rotten Poles and deteriorated Line Hardware & Materials	Safety	-	-	-	57,901,192.19	57,901,192.19

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2	Reconductoring of Single (1) Phase Primary Line from Sto. Tomas-Alvenda, Mutia, ZN.	Safety	-	-	-	6,961,848.84	6,961,848.84
3	Rehabilitation and Conductor Uprating of M1-Dapitan Feeder 2 Primary Line	Capacity	-	-	-	45,176,457.80	45,176,457.80
4	Reconductoring and Uprating of M4-Polanco Feeder 1 Lateral Lines	Capacity	-	-	-	1,999,375.68	1,999,375.68
5	Reconductoring and Uprating of M4-Polanco Feeder 2 Lateral Line	Capacity	-	-	-	29,317,393.77	29,317,393.77
6	Conversion of Distribution Lateral Lines of M5-Liloy Feeder 1 portion	Capacity	-	-	-	7,904,584.04	7,904,584.04
7	Acquisition and Replacement of Distribution Transformers	Capacity	-	-	-	83,199,000.00	83,199,000.00
8	Acquisition of Kilowatthour Meters, Metering Equipment and Service Drop Wires (SDW) for Repairs and Maintenance	Capacity	-	-	-	85,587,458.60	85,587,458.60
9	Acquisition of Smart Meter for Advanced Metering Infrastructure (AMI) Technology	Capacity	-	-	-	73,681,700.00	73,681,700.00
10	Installation of SCADA-Ready Reclosers, Sectionalizers, Load Break Switches and Fault Circuit Indicators	Reliability	-	-	-	18,397,500.00	18,397,500.00
11	Buffer Stocks	Reliability	-	-	-	30,290,172.24	30,290,172.24
<b>Other Network Projects</b>							
12	Acquisition of Kilowatthour Meters for Replacement	System Loss	-	-	-	10,214,622.20	10,214,622.20
<b>Non- Network Projects</b>							
13	Purchase of Substation & Distribution System Tools and Special Equipment	Service Efficiency	-	-	-	13,160,000.00	13,160,000.00
14	Purchase of Motorpool Tools and Equipment	Service Efficiency	-	-	-	2,190,000.00	2,190,000.00

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15	Purchase of Linemen Tools and Equipment	Service Efficiency	-	-	-	14,326,560.79	14,326,560.79
16	Purchase of Personal Protective Equipment	Service Efficiency	-	-	-	2,024,950.00	2,024,950.00
17	Purchase of Various Vehicles	Service Efficiency	-	-	-	75,355,360.00	75,355,360.00
18	Purchase of Computer System Server Development	Service Efficiency	-	-	-	3,000,000.00	3,000,000.00
19	Purchase of Wide Area Network Radio Infrastructure Development	Service Efficiency	-	-	-	2,757,600.00	2,757,600.00
20	Purchase of Drone	Service Efficiency	-	-	-	2,000,000.00	2,000,000.00
<b>Grand Total (Php)</b>			-	-	-	-	540,787,504.43
21	Confirmation of the Purchase of Various Vehicles	Service Efficiency	14,681,168.80	-	-	-	14,681,168.80
22	Confirmation of the Purchase of Truck-Mounted Cranes	Service Efficiency	15,088,000.00	-	-	-	15,088,000.00
<b>Total</b>			<b>29,769,168.80</b>	-	-	<b>540,787,504.43</b>	<b>570,556,673.23</b>

**Justification of the Proposed Projects**

No.	Project Title	Justification
1	Replacement of Rotten Poles and deteriorated Line Hardware & Materials	To provide safety to Member-Consumer-Owners and improve System Reliability.
2	Reconductoring of Single (1) Phase Primary Line from Sto. Tomas-Alvenda, Mutia, ZN.	This project will address safety and improve system efficiency.
3	Rehabilitation and Conductor Uprating of M1-Dapitan Feeder 2 Primary Line	This project will address safety, system efficiency and overloading of the conductors due to load growth. Moreover, it is the cooperative's responsibility to supply power to the end users at the exact amount and time of need.
4	Reconductoring and Uprating of M4-Polanco Feeder 1 Lateral Lines	This project will address the capacity problem due to load growth. Moreover, it is the cooperative's responsibility to supply power to the end users at the exact amount and time of need.
5	Reconductoring and Uprating of M4-Polanco Feeder 2 Lateral Line	This project will address capacity problem due to load growth. Moreover, it is the cooperative's responsibility to supply power to the end users at the exact amount and time of need.

*[Signature]*

No.	Project Title	Justification
6	Conversion of Distribution Lateral Lines of M5-Liloy Feeder 1 portion	This project will address capacity problem due to load growth. Moreover, it is the cooperative's responsibility to supply power to the end users at the exact amount and time of need.
7	Acquisition and Replacement of Distribution Transformers	This project involves the replacement of overloaded DTs and addresses load growth.
8	Acquisition of Kilowatt-hour Meters, Metering Equipment and Service Drop Wires (SDW) for Repairs and Maintenance	The purchase of kilowatt-hour meters for new connections is the provision of capacity requirements for new connections. Moreover, to purchase Service Drop Wires is very essential for distribution line repairs and maintenance works.
9	Acquisition of Smart Meter for Advance Metering Infrastructure (AMI) Technology	A Smart meter refers to an electronic real-time energy-measuring device that is capable of remote connect/disconnect switching, outage and tamper detection, and has a two-way communication between the meter and the utility.
10	Installation of SCADA-Ready Reclosers, Sectionalizers, Load Break Switches and Fault Circuit Indicators	Installation of special equipment along the distribution lines simulated location within the ZANECO franchise area for Physical Network Transformation per DOE DC2020-02-0003 compliance.
11	Buffer Stock	For Emergency/Contingency usage.
12	Acquisition of Kilowatt-hour Meters for Replacement	This project involves the replacement of ageing kilowatt-hour meters, recurring complaints from member-consumers and meter readers such as stuck-up, creeping, no display, burned, broken glass and inaccurate meter reading.
13	Purchase of Substation & Distribution System Tools and Special Equipment	The acquisition of this special equipment is a comprehensive toolkit for testing in substations. This will help the relays at its topmost operation installed in substations safeguarding the most important property in the electric utility.
14	Purchase of Motorpool Tools and Equipment	As ZANECO is getting bigger, the repair and maintenance of ZANECO are so vital, the additional tools and equipment to be purchased are a big help for the repair and maintenance of the cooperative vehicles.



No.	Project Title	Justification
15	Purchase of Linemen' Tools and Equipment	The use of tools helps linemen do their jobs easily. It will accomplish work with safety and efficiency at work.
16	Purchase of Personal Protective Equipment	PPEs will protect the linemen from accidents/death due to direct or indirect contact with energized lines.
17	Purchase of Various Vehicles	The procurement of various vehicles will increase the mobility of the technical men. This is to address consumers' satisfaction and to improve efficiency when it comes to service and daily operations
18	Purchase of Computer System Server Development	The purchase of a modern server ensures to meet system software requirements and addresses data processing errors
19	Purchase of Wide Area Network Radio Infrastructure Development	Integration of the ZANECO system is one of the major goals of the IT personnel. This project is part of the beginning of such a target.
20	Purchase of Drone	Advanced technology today is very essential in involving line maintenance. This technology can visualize the actual footage in every structure that could possibly encounter a problem.
21	Confirmation of the Purchase of Various Vehicles	This is an implemented project included in the CAPEX 2016-2018 (ERC Case No. 2016-015 RC) with a Motion for Leave to Amend Application by Modifying a portion of the Non-Network Capital Expenditure Projects.
22	Confirmation of the Purchase of Truck-Mounted Cranes	This is an implemented project included in the CAPEX 2016-2018 (ERC Case No. 2016-015 RC) with a Board Resolution No. 115 Series of 2018 entitled "Resolution Approving the Management's proposal to realign the acquisition of One (1) unit insulated Boomtruck for 69 KV Line (30 Meters) Line Maintenance into four (4) units of 6-wheeler Cargo Truck with Boom and a Brand New 4 x 4 Double Cab pick-up vehicle for Subtransmission Maintenance Crew".

6. With the prevailing situation in the electric power industry vis-à-vis the consumers' demand, Applicant deems it appropriate to embark on asset development and expansion in order to meet the member-consumers' growing demands;



7. The procurement of the aforementioned project is of great necessity in the schedules herein provided, otherwise service decline is eminent, to the prejudice of the consumers;
8. That the afore-enumerated capital projects will be implemented on staggered basis, and, if a Force Majeure or Fortuitous event, as the case may be occurs causing delay in the implementation, the Applicant shall inform the ERC of such condition and seek the latter's confirmation of the delayed implementation of the particular CAPEX;

**RELATED AND INDISPENSABLE DOCUMENTS**

9. Consistent with the requirement of the filing of applications for approval of capital projects, Applicant attached and made an integral part of this Application the detailed justifications, related and indispensable documents chronologically arranged, as follows:

<b><u>ANNEX</u></b>	<b><u>DOCUMENT</u></b>
<b>“B”</b>	CAPEX Executive Summary
<b>“B-1 to B-22”</b>	Per Project supporting documents
<b>“C”</b>	Forecasts
<b>“D”</b>	Performance Assessment
<b>“E”</b>	Rate Impact Analysis
<b>“F”</b>	Audited Financial Statements for the years 2018-2021
<b>“G”</b>	Basis of the Cost Estimates
<b>“H”</b>	RFSC Utilization Report 2018-2020
<b>“I”</b>	Distribution Development Plan 2018-2023
<b>“J”</b>	Other Financial Documents

**BOARD APPROVAL**  
**OF THE PROPOSED PROJECTS**

10. Finding the proposed capital expenditure projects reasonable, appropriate, necessary, and ultimately redound to the benefit of the members-consumers by way of efficient, continuous and reliable service, the Board of Directors of the Applicant passed Board Resolution No. 328, Series of 2022 dated November 29, 2022 approving the proposed CAPEX, copy of which is attached hereto as **Annex “K”**;
11. In compliance with Resolution No. 26, Series of 2009, information on the proposed capital projects had been widely disseminated through posting in the conspicuous places of the Cities of Dapitan



and Dipolog, and the Municipalities of Rizal, Sibutad, La Libertad, Piñan, Mutia, Polanco, S. Osmeña, Katipunan, Roxas, Manukan, Jose Dalman, Sindangan, Siayan, Leon Postigo, Salug, Godod, Liloy, Labason, Gutalac, Tampilisan, and Kalawit, all in the Province of Zamboanga del Norte, as certified to by John Raqui L. Ricafort, an employee of the Applicant tasked to undertake such dissemination, copy of the affidavit of posting is attached hereto as **Annex “L”**. The Notices posted in the areas aforementioned specifically contained the following:

- a. the proposed projects;
- b. the reasons for proposing said projects;
- c. the source of fund for the said projects;
- d. indicative rate impact of the said projects;

**SOURCES OF FUNDS FOR THE PROJECTS**

- 12. ZANECO’s Capital Expenditure Projects Plan is envisioned to have the least rate impact and that brings the most value to its consumers.
- 13. In the implementation of the proposed projects, the Applicant shall source the funds through a loan with the National Electrification Administration (NEA) and/or other Private Financing Institution that will provide the least interest rate to the benefit of the member-consumers.

**Financing Plan**

Source of Funds	Project Costs to be Financed	Annual Projects Costs		
		Year 2022	Year 2023	Year 2024
National Electrification Administration Loan	540,787,504.43	-	-	540,787,504.43
National Electrification Administration Subsidy	-	-	-	-
Banks and Other Financing Institutions	-	-	-	-
Reinvestment Fund for Sustainable CAPEX	-	-	-	-
<b>Total Costs</b>	540,787,504.43	-	-	540,787,504.43
Source of Funds	Project Costs to be Financed	Annual Project Costs		
		2018		
REFC Loan	14,681,168.80	14,681,168.80		
Reinvestment Fund for Sustainable CAPEX	15,088,000.00	15,088,000.00		

- 14. The implementation of the proposed CAPEX shall bring forth an indicative rate impact as follows:

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**Indicative Rate Impact**

<b>PARTICULARS</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>TOTAL</b>
Actual Energy Sales, KWH	285,427,132	300,629,329	315,822,493	901,878,955
Existing RFSC Rate, PhP/KWH	0.5531	0.5531	0.4474	0.5531
Beginning Balance, PhP, excess/(shortfall)	104,599,957	162,413,383	230,905,411	104,599,957
<b>FUND INFLOWS</b>				
Actual RFSC Collection, PhP*	142,932,394	142,445,692	141,298,984	426,677,069
50% income on leased properties, PhP				-
Government Subsidy, PhP	-	570,973,238	-	570,973,238
Proposed Loan Proceeds from NEA, PhP - from subject Application	-	-	540,787,504	540,787,504
Approved Loan Proceeds from financial institutions, PhP - from previous Approved CAPEX Application/s	-	-	-	-
Proposed Loan Proceeds from NEA, PhP (ERC Case No. 2010-050 RC)	-	-	-	-
Proposed Loan Proceeds from NEA, PhP (ERC Case No. 2016-015RC)	-	-	-	-
Proposed Loan Proceeds from NEA, PhP (ERC Case No. 2019-039RC)	-	183,324,895	1,403,253,119	1,586,578,014
<b>Total Fund Inflows, PhP</b>	142,932,394	896,743,824	2,085,339,607	3,125,015,825
<b>Available Fund for Disbursement, PhP</b>	247,532,351	1,059,157,207	2,316,245,018	3,229,615,782
<b>FUND OUTFLOWS</b>				
Proposed CAPEX Requirement, PhP	-	-	540,787,504	540,787,504
Approved CAPEX Requirement, PhP (ERC Case No. 2010-050 RC)	-	-	1,486,956	1,486,956
Proposed CAPEX Requirement, PhP (ERC Case No. 2016-015RC)	39,832,199	-	107,511,076	147,343,275
Proposed CAPEX Requirement, PhP (ERC Case No. 2019-039RC)	4,139,325	754,298,133	1,403,253,119	2,161,690,576
Proposed Annual Amortizations, PhP	-	-	96,774,601	96,774,601
Approved Annual Amortizations (for Old Loan), PhP	41,147,444	41,147,444	39,129,288	121,424,176
Proposed Annual Amortization, PhP (ERC Case No. 2010-050 RC)	-	-	-	-
Proposed Annual Amortization, PhP (ERC Case No. 2016-015RC)	-	-	-	-
Proposed Annual Amortization, PhP (ERC Case No. 2019-039RC)	-	32,806,219	317,115,835	349,922,054
Amortizations of new loans (Others)	-	-	-	-
Other Fees relative to CAPEX application, PhP	-	-	-	-
Proposed ERC Permit Fees, PhP	-	-	4,279,175	4,279,175
Proposed ERC Permit Fees, PhP (ERC Case No. 2016-015RC)	-	-	4,616,119	4,616,119
Proposed ERC Permit Fees, PhP	-	-	16,212,679	16,212,679

*RC*

(ERC Case No. 2019-039RC)				
<b>Total Fund Outflows</b>	85,118,968	828,251,796	2,531,166,352	3,444,537,115
<b>Ending Balance, PhP, excess/(shortfall)</b>	<b>162,413,383</b>	<b>230,905,411</b>	<b>(214,921,334)</b>	<b>(214,921,334)</b>
<b>Rate Impact on RFSC, PhP/KWh, excess/(shortfall)</b>	<b>0.5690</b>	<b>0.7681</b>	<b>(0.6805)</b>	<b>(0.2383)</b>

**COMPLIANCE WITH  
PRE-FILING REQUIREMENTS**

15. In compliance with Section 2, Rule 6 of the ERC Rules of Practice and Procedure, copies of this Application together with all its annexes and accompanying documents had been furnished by Applicant the Office of the Mayor and the Legislative Body of the City of Dipolog, where Applicant principally operates and the Office of the Governor and the Legislative Body of the Province of Zamboanga del Norte. Likewise, the Applicant was published in a newspaper of general circulation within the franchise area of the Applicant.
16. As proof of compliance of the service of the copies of the Application together with all its annexes are the Certifications issued by the Authorized Representatives of the Local Government Units and/or the Affidavit of Service executed by an employee of the Applicant and the first page of the Application bearing the receiving stamp of the aforementioned Offices as Annexes "M", "N", "O" and "P", respectively. Likewise attached hereto as Annexes "Q" and "R" are the Affidavit of Publication and the newspaper issue containing the published Application;
17. Moreover, prior to the filing of this Application, a pre-filing conference with the concerned staff of the Commission was conducted pursuant to Section 4 of Rule 6, and for purposes of determining completeness of the supporting documents attached to the Application.

**PRAYER**

**WHEREFORE**, foregoing considered, Applicant respectfully prays that the Honorable Commission after due hearing and evaluation of the Application, an Order be issued **approving** the proposed capital expenditures projects for the years 2018, 2022-2024 and declared just, reasonable, and equitable pursuant to the provisions of ERC Resolution No. 26, Series of 2009, and other related laws, rules and regulations.

Other reliefs, just and equitable are likewise prayed for.

Finding the said *Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-Trial Conference, and presentation of evidence on the following dates and online platform for the conduct



thereof, pursuant to Resolution No. 09, Series of 2020<sup>1</sup> and Resolution No. 01, Series of 2021 (ERC Revised Rules of Practice and Procedure):<sup>2</sup>

<b>Date</b>	<b>Platform</b>	<b>Activity</b>
<b>02 August 2024</b> (Friday) at nine o'clock in the morning (9:00 AM)	<b>Microsoft Teams Application</b>	Determination of compliance with the jurisdictional requirements and expository presentation
<b>09 August 2024</b> (Friday) at nine o'clock in the morning (9:00 AM)		Pre-Trial Conference and presentation of evidence

Accordingly, ZANECO is hereby directed to host the virtual hearings at **ZANECO's principal office located at Dipolog City, Zamboanga del Norte**, as the designated venue for the conduct thereof, and ensure that the same is open to the public. Moreover, ZANECO shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

**RELATIVE THERETO**, ZANECO is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* in two (2) newspapers of nationwide circulation in the Philippines at its own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors, and the Local Government Unit (LGU) legislative bodies within ZANECO's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within ZANECO's franchise area, by any other means available and appropriate, of the filing of

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<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>2</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.



the *Application*, the reasons therefor, and of the scheduled virtual hearings thereon;

- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and
- 5) Furnish with copies of the *Application* and its attachments, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within **five (5) calendar days** before the date of the initial virtual hearing, ZANECO must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), the scanned copies of its written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of affidavits of the Editors or Business Managers of the newspapers where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by ZANECO to inform the consumers within ZANECO's franchise area of the filing of the *Application*, the reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;



- 5) The evidence of receipt of copies of the *Application* and its attachments, by all those making requests therefor, if any; and
- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, ZANECO is hereby required to post on its bulletin board, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publications and certifications issued by the concerned Offices of the Governor, Mayors, and Local Legislative Bodies, and to submit proof of posting thereof.

Applicant ZANECO and all interested parties are also required to submit via e-mail at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-Trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-Trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-Trial Brief.

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

Failure of ZANECO to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings.

Applicant ZANECO must also be prepared to make an expository presentation of the instant *Application*, aided by whatever communication medium that it may deem appropriate for the purpose,



in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Application* must be cited in support thereof.

Applicant ZANECO is hereby directed to file a copy of its Expository Presentation via e-mail at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** prior to the scheduled virtual hearing. ZANECO shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, **at least five (5) calendar days** prior to the scheduled virtual hearing.

Applicant ZANECO is further directed to submit, through personal service, registered mail, or ordinary mail/private courier, one (1) set of the original or certified true hard copies of its Jurisdictional Compliance, Expository Presentation, Pre-Trial Brief, and Judicial Affidavits of witnesses, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

Finally, ZANECO, including its authorized representatives and witnesses, are hereby directed to provide the Commission, through [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

**SO ORDERED.**

Pasig City, 27 June 2024.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**MONALISA C. DIMALANTA**  
*Chairperson and CEO*

**ERC**

Office of the Chairperson and CEO



MCD2024-017903

  
LS: MND/ARG/KDB



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**Copy Furnished:**

1. Zamboanga del Norte Electric Cooperative, Inc. (ZANECO)  
*Applicant*  
Dipolog City, Zamboanga del Norte  
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10. Office of the Sangguniang Panlungsod  
Dapitan City, Zamboanga del Norte
11. Office of the City Mayor  
Dipolog City, Zamboanga del Norte
12. Office of the Sangguniang Panlungsod  
Dipolog City, Zamboanga del Norte
13. Office of the Municipal Mayor  
Rizal, Zamboanga del Norte
14. Office of the Sangguniang Bayan  
Rizal, Zamboanga del Norte
15. Office of the Municipal Mayor  
Sibutad, Zamboanga del Norte
16. Office of the Sangguniang Bayan  
Sibutad, Zamboanga del Norte
17. Office of the Municipal Mayor  
La Libertad, Zamboanga del Norte
18. Office of the Sangguniang Bayan  
La Libertad, Zamboanga del Norte

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Manukan, Zamboanga del Norte
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34. Office of the Sangguniang Bayan  
Jose Dalman, Zamboanga del Norte
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Sindangan, Zamboanga del Norte
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53. Office of the Municipal Mayor  
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