

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
JADE DRIVE, PASIG CITY

IN THE MATTER OF THE
APPLICATION FOR THE
APPROVAL OF NETWORK AND
NON-NETWORK CAPITAL
PROJECTS FOR THE
REGULATORY YEARS 2024 and
2025 (RY 2024 and RY 2025),

ERC CASE NO. 2025 -157 RC

ANGELES ELECTRIC
CORPORATION (AEC),

August 18, 2025

Applicant.

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APPLICATION

Applicant **ANGELES ELECTRIC CORPORATION** ("AEC"),
through the undersigned counsel, and unto this Honorable Commission, most
respectfully states: That –

1. Applicant AEC is a corporation duly organized and existing under
and by virtue of the laws of the Philippines, with principal office at Don Juan
Nepomuceno corner Doña Teresa Street, Nepo Mart Complex, Angeles City,
Pampanga, where it may be served with summons and other legal processes. AEC
is represented here by its President, Maria Rita Josefina V. Chua.

2. Applicant AEC is the exclusive franchise holder issued by the
Congress of the Philippines to distribute electricity in Angeles City, Pampanga.

3. AEC is part of the Fourth Entry Group (otherwise known as
"Group D") that entered into the performance-based regulation ("PBR") rate
setting methodology on July 6, 2011. Other members of Group D are Clark
Electric Distribution Corporation ("CEDC"), Davao Light and Power Company
("DLPC"), Panay Electric Company ("PECO"), Subic Enerzone Corporation
("SEC"), and San Fernando Electric Light and Power Company ("SFELAPCO").

4. As part of the PBR rate setting methodology, AEC's Fourth
Regulatory Period was from October 1, 2019 to September 30, 2023.

5. Prior to the end of the Second Regulatory Period for the Fourth Entry Group, the Honorable Commission began the process of updating the Rules for Setting Distribution Wheeling Rates (the “RDWR”) for Privately Owned Distribution Utilities (Fourth Entry Group).

6. However, the revisions to the RDWR from the Third and Fourth Regulatory Periods and the resolution of certain issues identified under PBR by the Honorable Commission had not yet been completed by the time the Fourth Regulatory Period had ended on September 30, 2023.

7. Unfortunately, the revisions to the RDWR have not yet been finalized and given the need by AEC to undertake network and non-network capital projects in order to address the load growth, as well as the replacement and refurbishment of existing distribution assets, AEC is now filing this instant Application.

8. AEC has several network and non-network capital projects planned for RY 2023 which are necessary to maintain the reliable and safe operation of its distribution network as well as to provide for the growing electricity demand in the AEC franchise area.

9. Being guided by the latest Rules for Setting Distribution Wheeling Rates (RDWR), as amended, AEC hereby submits for approval of this Honorable Commission the following network and non-network capital projects for RY 2024 and RY 2025:

**SUMMARY OF CAPITAL PROJECTS
FOR REGULATORY YEARS 2024 and 2025**

Network Capex				
	Description	Type	Actual Cost RY 2024	Estimated Cost RY 2025
A.1	Construction of Pulung Cacutud Substation	Safety and Capacity	62,706,508.92	246,995,148.37
A.2	Extension of Lines and Metering Stations for DOTr North-South Commuter Railway Extension Project	Capacity		71,296,280.52
Sub-total			P 62,706,508.92	P 318,291,428.89
Other Network Capex				
B.1	Procurement of Pole-Mounted Distribution Transformers	Capacity	54,649,053.54	56,315,924.71
B.2	Procurement of Overhead Conductors and Devices	Capacity	43,571,905.08	43,571,905.08

B.3	Procurement of Poles, Towers and Fixtures	Capacity	20,016,611.91	20,016,611.91
B.4	Procurement of Kilowatthour Meters and Current Transformers	Capacity	19,642,645.68	19,558,541.07
			P 137,880,216.20	P 139,462,982.77
Non-Network Capex				
C.1	Procurement of Substation Equipment Monitoring Devices	Customer Service Efficiency	2,206,249.99	
C.2	Procurement of Information Technology Equipment and Software	Customer Service Efficiency	14,558,131.36	2,571,053.79
C.3	Procurement of Transportation Equipment	Customer Service Efficiency	3,005,004.47	19,375,000.00
C.4	Procurement of Laboratory Equipment	Customer Service Efficiency	758,928.57	
C.5	Procurement of Communication Plant and Equipment	Customer Service Efficiency	173,281.35	
C.6	Procurement of Tools, Shop, and Garage Equipment	Customer Service Efficiency	669,975.87	816,055.32
C.7	Construction of Structures and Improvements	Customer Service Efficiency	3,825,897.40	8,239,826.54
C.8	Procurement of Office Furniture and Equipment	Customer Service Efficiency	1,447,677.34	4,511,084.94
			P 26,645,146.35	P 35,513,020.59
Grand Total			P 227,231,871.48	P 493,267,432.24

10. The proposed network and non-network capital projects will not have a direct impact on the current rates of AEC until approved by the Honorable Commission as part of AEC's Regulatory Asset Base in its next regulatory reset application under PBR.

11. A detailed description for each of the projects are attached hereto as part of the specific projects' annex and are made integral parts of this Application.

In support of this Application, the Applicant has attached the following supporting documents in connection with the projects:

ANNEX	INFORMATION PROVIDED
1	Executive Summary
2A	Single Line Diagram - 69 kV System
2B	Single Line Diagram – Petersville Substation
2C	Single Line Diagram – Calibu Substation
2D	Single Line Diagram – Milenyo Substation
2E	Single Line Diagram – Pampang Substation
2F	Single Line Diagram – Nepo Center Substation
3	AEC DDP
4	Proposed Gantt Chart for Remaining 13.8 kV Reconductoring Project
5	Forecast Methodology – Accuracy Tests
6	AEC Rate Impact – CAPEX RY 2024 and RY 2025
7	AEC Certificate of Email Registration
8	QM Law Certificate of Email Registration
9	Secretary's Certificate
10	Affidavit of Publication
11	Copy of newspaper
12	Affidavit of Service and/or Certification to Office of the Mayor of Angeles City
13	Affidavit of Service and/or Certification to Sangguniang Panglungsod of Angeles City
A.1.1	Statistical Data
A.1.2	Detailed Cost Estimate-13.8 kV Lines for Converge
A.1.3	Forecasted Substation Loads
A.1.4	Feeder Technical Losses
A.1.5	Economic Analysis
A.1.6	Gantt Chart
A.1.7	Purchase Documents
A.1.8	Cost Analysis
A.2.1	Minutes of Meetings
A.2.2	AEC Electrical Application Requirement Traction Substation 19 (TSS 19)
A.2.3	AEC Electrical Application Requirement Traction Substation 20 (TSS 20)
A.2.4	DOTr Letter to AEC Regarding Target Energization Dates of TSS 19 and TSS 20
A.2.5	AEC 69kV SLD with TSS 19 and TSS 20
A.2.6	Gantt Charts
A.2.7	Cost Analysis
A.2.8	Affidavit on DOTr

B.1.1	DT Requirements Computation
B.1.2	Inventory of Overloaded Transformers
B.1.3	Sales Invoice – RY 2024
B.1.4	Sales Invoice – RY 2025
B.1.5	Gantt Chart
B.1.6	Cost Analysis
B.2.1	Sales Invoices
B.2.2	Gantt chart
B.2.3	Cost analysis
B.3.1	Sales Invoices
B.3.2	Gantt Chart
B.3.3	Cost Analysis
B.4.1	Historical Data 2017-2023
B.4.2	Historical Data 2017-2024
B.4.3	Inventory of Defective Meters
B.4.4	Sales Invoices
B.4.5	Gantt Chart
B.4.6	Cost Analysis
C.1.1	Sales Invoices
C.1.2	Gantt Chart
C.1.3	Cost Analysis
C.2.1	Sales Invoices
C.2.2	Quotation for Additional Server with HCI Software and Network Switch
C.2.3	Quotation for Computers, Firewall, Printers, UPS, Projector, Access Control Devices and Mobile Devices
C.2.4	Purchase Documents for Additional Server with HCI Software and Network Switch
C.2.5	Inventory of Existing IT Hardware and Software
C.2.6	Software License Summary
C.2.7	Gantt Chart
C.2.8	Cost Analysis
C.3.1	Sales Invoices for 2024 Vehicle Procurements
C.3.2	Maintenance Records for Truck No. 51
C.3.3	Maintenance Records for Truck No. 69
C.3.4	Quotation for 2025 Proposed Vehicle Procurements
C.3.5	Specifications for 2025 Proposed Vehicle Procurements
C.3.6	Inventory of Vehicles
C.3.7	Cost Analysis
C.4.1	Sales Invoices
C.4.2	Gantt Chart

C.4.3	Detailed Description of the Phantom Load Equipment
C.4.4	Cost Analysis
C.5.1	Sales Invoices
C.5.2	Cost Analysis
C.6.1	Sales Invoices
C.6.2	Price References for RY 2025 Tools, Shop, and Garage Equipment
C.6.3	Inventory of Existing Tools
C.6.4	Cost Analysis
C.7.1	Quotation, Pampang Substation Driveway Construction
C.7.2	Quotation, Milenyo Substation Driveway Construction
C.7.3	Purchase Documents, Milenyo and Pampang Substation Driveway Construction
C.7.4	Quotation, Replacement of Panel Boards and Relocation of Power Rooms 1 st and 2 nd Floors
C.7.5	Purchase Documents, Roof Replacement of AEC Main Building
C.7.6	Purchase Documents, Roof Framing and Canopy of Procurement Office
C.7.7	Purchase Documents, Linemen's Comfort Room Roofing
C.7.8	Purchase Documents, Aircon Condenser Cover
C.7.9	Proposed Layout, AEC Satellite Office at Robinsons Mall, Balibago
C.7.10	Quotation, AEC Satellite Office at Robinsons Mall, Balibago
C.7.11	Gantt Chart_Pampang Substation Driveway Construction
C.7.12	Gantt Chart_Milenyo Substation Driveway Construction
C.7.13	Proposed Gantt Chart_AEC Satellite Office at Robinsons Mall, Balibago
C.7.14	Gantt Charts_All Other Structures and Improvement Projects
C.7.15	Miscellaneous Service Documents
C.7.16	Cost Analysis
C.8.1	Sales Invoices
C.8.2	Purchase Documents for RY 2024 Office Furniture and Equipment
C.8.3	Purchase Documents, RY 2025 ACU
C.8.4	Bill of Quantities, RY 2025 ACU
C.8.5	Inventory of ACU
C.8.6	Inventory of Office Desks and Chairs
C.8.7	Cost Analysis

12. The approval of the foregoing network and non-network capital projects will ensure that the customers of AEC will be served continuously and reliably in accordance with the standards under the Philippine Distribution Code (PDC) and other regulatory obligations as well as the approved Performance Level Targets for AEC's Performance Incentive Scheme (PIS) under PBR.

PRAYER

WHEREFORE, it is respectfully prayed that the Honorable Commission, after trial on the merits, issue a final approval of the following Capital Projects and that AEC be granted the authority to implement, construct, own and/or operate the same:

1. Construction of Pulung Cacutud Substation
2. Extension of Lines and Metering Stations for DOTr North-South Commuter Railway Extension Project
3. Procurement of Pole-Mounted Distribution Transformers
4. Procurement of Overhead Conductors and Devices
5. Procurement of Poles, Towers and Fixtures
6. Procurement of Kilowatthour Meters and Instrument Transformers
7. Procurement of Substation Equipment Monitoring Devices
8. Procurement of Information Technology Equipment and Software
9. Procurement of Transportation Equipment
10. Procurement of Laboratory Equipment
11. Procurement of Communication Plant and Equipment
12. Procurement of Tools, Shop, and Garage Equipment
13. Construction of Structures and Improvements
14. Procurement of Office Furniture and Equipment

Applicant likewise prays for such other and further relief as may be deemed just and equitable in the premises.

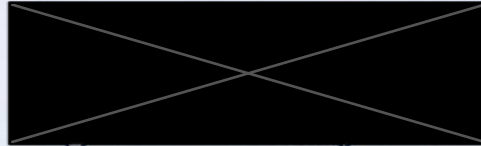
Pasig City, 13 June 2025.

**The Law Firm of
QUILASON MAKALINTAL**

Counsel for Applicant

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4 ADB Avenue, Ortigas Center,
Pasig City, Philippines 1605
Tel. No. +63 (2) 8631-0981 to 0985
ercfilings@qmlaw.com.ph

By:



MIGUEL K. MATHAY

ROLL OF ATTORNEYS NO. 43982
MCLE COMPLIANCE NO. VJJI-0023334; 4/14/2028
PTR NO. 3040417; 01/03/2025
PASIG CITY
IBP NO. 511708; 01/03/2025
RIZAL (RSM)

VERIFICATION & CERTIFICATION
AGAINST FORUM SHOPPING

I, **MA. RITA JOSEFINA V. CHUA**, of legal age, Filipino, with office address at Don Juan Nepomuceno corner Doña Teresa Street, Nepo Mart Complex, Angeles City, Pampanga after having been duly sworn to in accordance with law, hereby depose and state:

- 1. I am the President & CEO of **ANGELES ELECTRIC CORPORATION** (“AEC”), the Applicant in the above-captioned case;
- 2. I have caused the preparation of the foregoing Application;
- 3. I have read the same and all allegations contained herein are true and correct of my personal knowledge and based on authentic records and/or documents;
- 4. The foregoing Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;
- 5. The factual allegations in the foregoing Application have evidentiary support, or if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
- 6. I certify that Applicant has not commenced any other action, claim for relief or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other court, tribunal or quasi-judicial agency; and to the best of my knowledge, no such other action, claim or proceeding is pending; and that, if I should learn that a same or similar action, claim or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other court, tribunal or quasi-judicial agency, I undertake to promptly inform this Honorable Commission within five (5) calendar days therefrom.


MA. RITA JOSEFINA V. CHUA
Affiant

SUBSCRIBED AND SWORN to before me this 13 JUN 2025 day of 2025 at ANGELES CITY; affiant is known to me and exhibited to me her Competent Evidence of Identity as follows:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
Ma. Rita Josefina V. Chua	Driver’s License No. C10-85-004751	December 19, 2021 / Angeles City

Doc. No. 1853;
Page No. 25;
Book No. 40;
Series of 2025.


KRIS DYAN P. CAYABYAB
Notary Public for Angeles City, Mabalacat City,
Municipalities of Magalang & Porac
Commission No. 24-1186 until December 31, 2026
Attorney’s Roll No. 61559
PTR No. AC-2190233/01.02.25/A.C.
IBP No. 484876/12.18.24/Pasig
MCLE Compliance No. VIII-0012055/08.20.24
Cayabyab Law Office, Rm.201 UNO Bldg,
Miranda St., Sto. Rosario, Angeles City, Pampanga

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

SECRETARY'S CERTIFICATE

I, **BENEDICT R. TUGONON**, of legal age, Filipino, and with office address at 21F Robinsons Equitable Tower ADB Ave. corner Poveda St., Ortigas Center, Pasig City, after having been duly sworn in accordance with law, hereby depose and state: That –

1. I am the duly elected and qualified Corporate Secretary of Angeles Electric Corporation, a corporation duly organized and existing under and by virtue of the laws of the Philippines (the “Corporation”), with principal office address at Don Juan D. Nepomuceno Avenue corner Teresa Avenue, Nepo Center, Angeles City.

2. At the regular meeting of the Executive Committee of the Board of Directors of the Corporation, duly held and convened on June 10, 2025, at which a quorum was present and acted throughout, the following resolutions were approved, and the same are in full force and effect on the date hereof:

Resolution No. R06-01, Series of 2025

“RESOLVED, That Angeles Electric Corporation (AEC) (the “Corporation”) does hereby authorize the filing and presenting of an Application before the Energy Regulatory Commission for the approval of the Corporation’s Capital Expenditure (CAPEX) Program for Regulatory Years (RY) 2024-2025 at estimated project costs of Php 227,231,871.48 for RY 2024 and Php 493,267,432.24 for RY 2025 and that the funds therefore be appropriated from its retained earnings (“Case”);

RESOLVED FURTHER, That the Corporation names, constitutes and appoints as it hereby does, the **Law Firm of Quiason Makalintal** or any of its lawyers to represent the Corporation in said Case or any other cases, actions or proceedings, and to file for and on behalf of the Corporation such cases and/or petitions for the Corporation, as may be necessary before the Energy Regulatory Commission, Court of Appeals, Supreme Court and/or such other appropriate action or actions before the proper courts of justice or administrative bodies in the Philippines, and to represent the Corporation in all proceedings and stage of the aforesaid cases or actions with powers to enter into an agreement to submit any of the said cases or actions to any of the alternative modes of dispute resolution, including the execution of an agreement to mediate, and to offer, negotiate, accept, decide and enter into a compromise agreement or settlement, without need of further authorization by the Corporation;

RESOLVED FURTHER, That in connection therewith, Maria Rita Josefina V. Chua, President, is hereby authorized to sign, execute and deliver on behalf of the Corporation the special power of attorney in favor of the **Law Firm of Quiason Makalintal** or any of its lawyers, and to sign, execute and deliver all documents, instruments, deeds, and forms, including, but not limited to, the necessary pleadings, petitions, motions, declarations, verifications, affidavits of merit, certificates of non-forum shopping and other instruments necessary for such actions and proceedings as well as to do any and all acts, as may be proper and necessary to give force and effect to the foregoing Resolution.”

3. That the foregoing resolutions are not contrary to the By-Laws of the Corporation and are in full force and effect to this day.

IN WITNESS WHEREOF, I have hereunto set my hand this JUN 10 2025 day of PASIG CITY City.



BENEDICT R. TUGONON
Corporate Secretary

SUBSCRIBED AND SWORN to before me this JUN 10 2025 day of PASIG CITY, affiant exhibited to me his Driver's License No. N02-92-183265 valid until February 18, 2034, by Benedict R. Tugonon, who has satisfactorily proven to me his above identity that he is the same person who personally signed before me the foregoing Secretary's Certificate that he executed the same.



MINDY ROIZA A. PLANILLO
NOTARY PUBLIC
FOR AND IN THE CITY OF PASIG
AND IN THE MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2025
PTR NO. 3040434; 01/03/2025; PASIG CITY
IBP NO. 511725; 01/03/2025; RIZAL (RSM)
MCLE COMPLIANCE NO. VIII-0023672; 4/14/2025
ROLL NO. 86969/APPOINTMENT NO. 129 (2024-2025)
21/F Robinsons-Equitable Tower, 4 ADB Ave. cor. Poveda St.
1605 Ortigas Center, Pasig City

Doc No. 402 ;
Page No. 82 ;
Book No. III ;
Series of 2025.