

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

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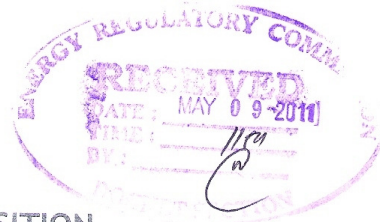
IN THE MATTER OF THE APPLICATION FOR THE
APPROVAL OF THE LEYTE-MINDANAO
INTERCONNECTION PROJECT-PHASE 1, WITH
PRAYER FOR THE ISSUANCE OF PROVISIONAL
AUTHORITY

ERC CASE NO. 2011-037RC

NATIONAL GRID CORPORATION OF THE
PHILIPPINES (NGCP)

Applicant

x-----x



COMPLIANCE AND OPPOSITION TO THE ISSUANCE OF A PROVISIONAL AUTHORITY

The NATIONAL ASSOCIATION OF ELECTRICITY CONSUMERS FOR REFORMS, INC. (NASECORE, hereafter "Intervener"), through its president PETE L. ILAGAN, respectfully submits this COMPLIANCE and OPPOSITION to the prayer for the issuance of a provisional authority and states that:

1. In the initial hearing of the instant case last 02 May 2011 at the ERC hearing room in Pasig City, the Commission through the Presiding Officer directed Intervenor NASECORE to put in writing its reasons for its opposition to the prayer of applicant for the issuance of a provisional authority within ten (10) days from the date of the initial hearing;

REASONS:

2. The captioned title of the instant application refers specifically to the approval of the LEYTE-MINDANAO INTERCONNECTION PROJECT-PHASE I, with prayer for a provisional authority and this is supported by item 3 in the instant application where Applicant NGCP cites Chapter II, Section 9 "d" (Functions and Responsibilities of TRANSCO) of the EPIRA which says "to improve and expand its transmission facilities, consistent with the Grid Code and the Transmission Development Plan (TDP) to be promulgated pursuant to this Act, to adequately serve generation companies, distribution utilities and suppliers requiring transmission service and/ or ancillary

services through the transmission system: Provided, That TRANSCO shall submit any plan for expansion or improvement of its facilities for approval by the ERC.”

3. Clearly, based on the above cited provision, what is required of TRANSCO or its Concessionaire is to submit any plan for expansion or improvement of its facilities for approval by the ERC;

4. However, in item 1 of the Prayer portion in the instant application, the prayer is for the granting of a Provisional authority to immediately implement Phase I of the Leyte-Mindanao Interconnection Project, which involves the preparation of an updated project feasibility study, transmission route survey and hiring of consultancy services;(underscoring ours)

5. Clearly, there is a big discrepancy between submitting any plan for expansion or improvement of its transmission facilities and a preparation of an updated project feasibility study, transmission route survey and hiring of consultancy services;

6. Or putting it in another way, the preparation of an updated project feasibility study, transmission route survey and hiring of consultancy services is not the same implementing a plan for expansion or improvement of its transmission facilities;

7. It is worth emphasizing at this point that nowhere in the EPIRA does it require that TRANSCO or its Concessionaire shall submit for approval by the ERC the preparation of an updated project feasibility study, transmission route survey and hiring of consultancy services;(underscoring supplied)

8. Apparently, the instant application is a clever attempt meant to deceive the Honorable Commission and the consumers with an application for approval of the LEYTE-MINDANAO INTERCONNECTION PROJECT-PHASE I, as if Phase I refers to implementation of a plan for expansion or improvement of the existing transmission facilities when, in fact, said Phase I is not one of the phases in the implementation of a project that will expand or improve the existing transmission facilities of TRANSCO which is operated by applicant NGCP;

9. And the prayer for a provisional authority is dangerous because it will allow recovery of the costs of what is described as Phase I and it presupposes that the outcome of the preparation of an updated feasibility project study is already

approved even when said project study have not been completed yet and the transmission route survey has not been determined.

WHEREFORE, for the above reasons, it is respectfully prayed of this Honorable Commission to dismiss outright the instant application.

Parañaque City for Pasig City, 09 May 2011.


PETE L. ILAGAN
Intervenor

EXPLANATION

A copy of this *motion* was personally served upon applicant's counsel as directed by the Honorable Commission.


PETE L. ILAGAN
Intervenor

Copy furnished:

ATTY LUIS MANUEL U. BUGAYONG
Counsel for National Grid Corp. of the Phils.
Office of the General Counsel
NGCP Bldg., Quezon Ave. Cor. BIR Road,
Diliman, Quezon City

