



17 July 2025

OFFICE OF THE SANGGUNIANG  
PANLALAWIGAN  
Province of Leyte

Through : HON. LEONARDO M. JAVIER JR.  
*Vice Governor*

Re : *Service of the Application*

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Greetings!

In compliance with the Revised Rules of Practice and Procedure of the Energy Regulatory Commission, we are furnishing you a copy of the LEYECO II's Application entitled "*In the Matter of the Application for the Issuance of a Certificate of Public Convenience and Necessity for the Operation of a System for the Distribution of Electricity for the City of Tacloban and the Municipalities of Palo and Babatngon, all in the Province of Leyte, with Prayer for the Issuance of Provisional Authority and/or Interim Relief,*" with annexes and attachments (except for annexes that are subject of a motion for confidential treatment of information) to be filed by LEYECO II to the Energy Regulatory Commission. Due to voluminous annexes and attachments, we are transmitting scanned copies of the same through a USB Flash drive.

In this regard, we would like to request for a **Certification** from the Office, bearing the dry seal, confirming the receipt of the enclosed documents.

Item No.: 23  
Date: 30 2025 JUL

Sangguniang Panlalawigan  
Province of Leyte

**RECEIVED**

Date: JUL 17 2025  
By: *divine*

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

Sangguniang Panlalawigan  
Province of Leyte

**RECEIVED**

Date: JUL 17 2025  
By: [Signature]

IN THE MATTER OF THE APPLICATION FOR THE ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE OPERATION OF A SYSTEM FOR THE DISTRIBUTION OF ELECTRICITY FOR THE CITY OF TACLOBAN AND THE MUNICIPALITIES OF PALO AND BABATNGON, ALL IN THE PROVINCE OF LEYTE, WITH PRAYER FOR THE ISSUANCE OF PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF,

ERC CASE NO. \_\_\_\_\_

LEYTE II ELECTRIC COOPERATIVE, INC. (LEYECO II),

*Applicant.*

x-----x

## APPLICATION

*COMES NOW*, Applicant **LEYTE II ELECTRIC COOPERATIVE, INC. (LEYECO II)**, through the undersigned counsel, most respectfully alleges:

### THE APPLICANT

1. Applicant **LEYECO II** is a non-stock, non-profit electric cooperative duly organized and existing under and by virtue of Presidential Decree No. 269 (P.D. 269), as amended, and other laws of the Republic of the Philippines, with principal office at Real Street, Sagkahan District, Tacloban City, herein represented by its Board President, Feliciano E.

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Application for the Issuance of CPCN

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Elizon, Jr. and General Manager, Engr. Fernan Paul R. Tan evidence by a Board Resolution specifically issued for such purpose. A copy of the Board Resolution is hereto attached and marked as **Annex "U"**.

2. It is engaged in the distribution of electric power to end-users in its franchise area, particularly in the City of Tacloban and the Municipalities of Palo and Babatngon, all in the Province of Leyte.

## **LEGAL BASES OF THE APPLICATION**

3. This Application is filed pursuant to:
  - 3.1. *Section 15 of Commonwealth Act No. 146 (The Public Service Act)*, as amended, which provides that "No public service as herein defined shall operate in the Philippines without having first secured from the Commission a certificate, which shall be known as Certificate of Public Convenience or as Certificate of Public Convenience and Necessity (CPCN), as the case may be, to the effect that the operation of said service and the authorization to do business will promote the public interests in a proper and suitable manner."
  - 3.2. *Section 43 (p) of the Republic Act No. 9136 (The Electric Power Industry Reform Act or the EPIRA)* empowers the Energy Regulatory Commission (ERC) to act on application for or modifications of CPCN and revoke, review and modify such certificates.
  - 3.3. *ERC Resolution No. 05, series of 2008* entitled "*A Resolution Adopting the Rules to Govern the Issuance of Certificate of Public Convenience and Necessity (CPCN) to Entities Engaged in the Transmission and Distribution of Electricity*" established procedures, standards and criteria for the issuance of a Certificate of Public Convenience and Necessity (CPCN) to entities engaged in the transmission and distribution of electricity.
  - 3.4. *NEA Memorandum No. 2025-15* with the subject "*Application for Certificate of Public Convenience and Necessity (CPCN) with the Energy Regulatory Commission (ERC) of Electric Cooperatives (ECS) Applying for Legislative Franchise*" which mandates the filing of the applications for electric distributions franchise and CPCN, the soonest possible time.

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**Application for the Issuance of CPCN**

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- 3.5. *Section 3 of the Republic Act No. 12017 entitled “An Act Granting a Franchise to the Leyte II Electric Cooperative, Inc. (LEYECO II) to Construct, Install, Establish, Operate, Own, Manage and Maintain Distribution Systems for the Conveyance of Electric Power to the End-Users in the City of Tacloban and Municipalities of Babatngon and Palo, Province of Leyte” which provides that “the Grantee shall secure from the ERC or the NEA or any government agency having jurisdiction over its operations, the certificate of public convenience and necessity and any other license, permit or authority indispensable for the construction and operation of the electric power distribution system.”*

### **STATEMENT OF MATERIAL FACTS**

4. LEYECO II has been continuously providing electric service in its franchise area since its establishment. It maintains and operates electric distribution line, substation, transformers and service drops for household, businesses and institutions within Tacloban City, Palo and Babatngon. Its track record shows uninterrupted and committed service delivery to member-consumer-owners (MCOs), which is crucial for economic activity, public welfare and government service continuity.
5. Last August 9, 2024, Republic Act No. 12017 was enacted, granting LEYECO II a 25-year franchise to construct, install, establish, operate and maintain a power distribution system in its existing service areas. This franchise affirms and legitimized LEYECO II's operational presence and obligates the electric cooperative to continue its service under government regulation. The franchise took effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation and shall remain valid until 2048. A copy of the Republic Act No. 12017 is hereto attached and marked as **Annex “A”**.
6. LEYECO II remains under the regulatory supervision of the National Electrification Administration (NEA) and continues to comply with performance standards under the total electrification program and EC classification guidelines. It has maintained a good operational standing and cooperative classification over the years. In fact, LEYECO II is one of the top performing and model electric cooperatives in the country, consistently being categorized as a “AAA” cooperative for its outstanding performance throughout the years.

7. While LEYECO II has long operated in its franchise area, the recent enactment of Republic Act No. 12017 and the updated regulatory environment now require that it secure a CPCN as a mandatory condition for continued operation. This Application seeks to formalize and align LEYECO II's authority with the franchise granted by Congress and the regulatory framework of ERC.
8. LEYECO II is capable of delivering reliable electricity services in its coverage area. It possesses the necessary assets, including substations (Annex "L"), feeders (Annex "M" to "O"), metering systems (Annex "P") and skilled personnel (Annex "J"). It has demonstrated financial capacity through audited financial statements (Annex "R") and has consistently reinvested in system upgrades to meet demand and efficiency targets.
9. This Application is submitted in accordance with the guidelines of the ERC. All documentary requirements have been collated, validated and are attached to his filing. LEYECO II has also published and served copies of this Application to the Province of Leyte and to the LGU where the principal office operates, pursuant to ERC Pre-filing Rules.

## **SUPPORTING DATA AND DOCUMENTS**

10. In support of the instant Application, Applicant LEYECO II is submitting and adopting the documents and the data contained herein, attached hereto and made as integral parts hereof, to wit:

<b>ANNEX MARKINGS</b>	<b>NATURE OF DOCUMENT</b>
<b>"A"</b>	Republic Act No. 12017 LEYECO II Franchise
<b>"B"</b>	LEYECO II Key Management Officials
<b>"C"</b>	LEYECO II Certificate of Registration
<b>"D"</b>	Amended Articles of Incorporation
<b>"E"</b>	Amended By-Laws
<b>"F"</b>	LEYECO II. System Map
<b>"G"</b>	List of Energized Barangays on LEYECO II
<b>"H"</b>	Rate Schedule Summary from 2024 to Present
<b>"I"</b>	Rate Schedule from 2024 to Present
<b>"J"</b>	Names and Addresses of LEYECO II Technical Personnel
<b>"K"</b>	LEYECO II Power Supply
<b>"L"</b>	LEYECO II Single Line Diagram
<b>"M"</b>	LEYECO II No. of Poles per Feeder

“N”	LEYECO II Circuit kM per Feeder
“O”	LEYECO II Distribution Transformers per Feeder
“P”	LEYECO II No. of Customers per Feeder
“Q”	Write up on the Use of Joint Poles
“R”	LEYECO II Audited Financial Statement of the year 2024
“S”	LEYECO II PGC PDC 2024 Compliance Monitoring Report
“T”	Authority of Counsel to File the Instant Application
“U”	Authority of Affiant to Execute Verification and Certification of Non-Forum Shopping
“V”	Service to the Local Government Units (LGUs) of the Province, City or Municipality where Applicant Principally Operates
“W”	Affidavit of Publication
“X”	Newspaper Issue Containing the Publication

**ALLEGATIONS IN SUPPORT OF THE PRAYER FOR PROVISIONAL AUTHORITY AND/OR INTERIM RELIEF**

11. LEYECO II has a continuing obligation to ensure uninterrupted electric service to the residents and businesses of Tacloban City, Palo and Babatngon, all of which depend on a stable and reliable electricity supply for essential services, commerce, industry and public governance.
12. The recent approval of LEYECO II’s legislative franchise under Republic Act No. 12017 necessitate regulatory confirmation of its authority to operate through the issuance of a CPCN. However, in the interim period pending the final resolution of this Application, the absence of a confirmed CPCN may rise to legal ambiguity affecting operational continuity, regulatory reporting, power procurement and coordination with third-party stakeholders, like with NGCP and suppliers.
13. Applicant humbly prays Provisional Authority or Interim Relief from the Honorable Commission, authorizing it to continue operating its distribution system within the covered areas to prevent any disruption of public utility service, which would otherwise be prejudicial to public interest, welfare and safety.

14. The issuance of such provisional authority is consistent with the mandate of the Honorable Commission under the ERC Revised Rules of Practice and Procedure, which allows provisional authority and/or interim relief where warranted by the urgency of public service or preservation of consumer interest.

15. LEYECO II assures the Honorable Commission of its full compliance with all applicable regulatory obligations and the timely submission of required documentary and procedural requirements in support of this Application. LEYECO II further undertakes to abide by the terms and conditions that may be attached to the grant of provisional authority.

### **PRAYER**

**WHEREFORE**, premises considered, Applicant LEYECO II respectfully prays that the Honorable Commission:

1. After due notice and hearing on the merits, issue a decision granting a Certificate of Public Convenience and Necessity (CPCN) authorizing it to operate and maintain an electric distribution system within the territorial jurisdiction of the City of Tacloban and the Municipalities of Palo and Babatngon, all in the Province of Leyte.
2. In view of the necessity to ensure uninterrupted public service during the pendency of this Application, issue a Provisional Authority and/or Interim Relief to enable it to continue operating within the scope of its legislative franchise while awaiting the final resolution of this Application.

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

Tacloban City for Pasig City. \_\_\_\_\_.

**RESPECTFULLY SUBMITTED**

*<Signature Page Follows>*



**TYRON JAN G. ALBAO**

*Counsel for LEYECO II*

Roll of Attorneys No. 66859

PTR No. 51550 / 01-07-2025; Leyte

IBP No. 501685 / 01-07-2025; Leyte Chapter

MCLE Compliance No. VIII-0025126

Valid until 14 April 2028

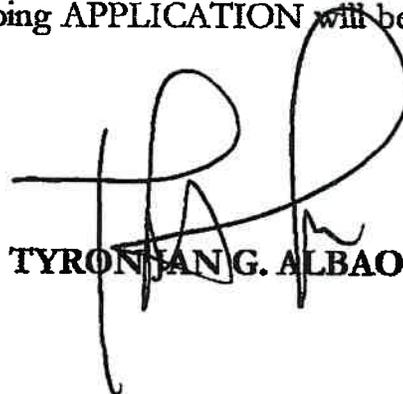
Unit 2, 2<sup>nd</sup> Flr. Tacloban Convention Center, Real St.,  
Tacloban City 6500

Contact No. 09176321822

Email Address: [attyteejalbao@gmail.com](mailto:attyteejalbao@gmail.com)

**EXPLANATION OF FILING AND  
SERVICE BY ELECTRONIC MEANS**

Pursuant to ERC Resolution No. 9, series of 2020, the undersigned counsel respectfully manifests that the foregoing APPLICATION will be filed and served by electronic means.



**TYRON JAN G. ALBAO**

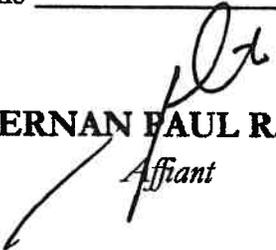
Republic of the Philippines )  
City of Tacloban ) S.S.

## **VERIFICATION AND CERTIFICATION** **ON NON-FORUM SHOPPING**

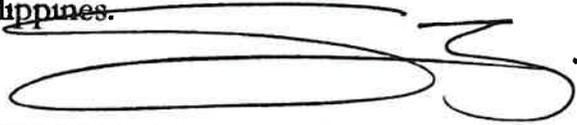
We, **FERNAN PAUL R. TAN** and **FELICIANO E. ELIZON, JR.**, of legal age, and with office address at Real Street, Sagkahan District, Tacloban City, after having been duly sworn to in accordance with law, do hereby depose and state for ourselves and for Leyte II Electric Cooperative, Inc. (“LEYECO II”), that:

1. We are currently the General Manager and Board President, respectively, of LEYECO II with authority to commence, initiate, sign and file the foregoing Application with the Energy Regulatory Commission (“ERC”) for the issuance of a Certificate of Public Convenience and Necessity for the Operation of a System for the Distribution of Electricity for the City of Tacloban and the Municipalities of Palo and Babatngon, with prayer for the Issuance of Provisional Authority and/or Interim Relief (the “Application”).
2. We have read the Application and the allegations therein are true and correct based on our personal knowledge or authentic records of LEYECO II.
3. The Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation.
4. The factual allegations in the Application have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
5. We or LEYECO II, have not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals or before any court, tribunal, or quasi-judicial agency and, to the best of my knowledge, no such other action or claim is pending therein, and
6. If we or LEYECO II should hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency, we shall report the said fact within five (5) days from discovery thereof to the Honorable Commission.

IN WITNESS WHEREOF, we have hereunto affixed our signatures  
this \_\_\_\_\_ in Tacloban City, Philippines.

  
FERNAN PAUL R. TAN

*Affiant*

  
FELICIANO E. ELIZON, JR.

*Affiant*

SUBSCRIBED AND SWORN TO before me this 27 JUN 2025  
in Tacloban City, with affiants Fernan Paul R. Tan and Feliciano E. Elizon, Jr.  
having presented to me their government issued ID as competent evidence of  
their identity, to wit:

NAME	GOVT ID	DATE/PLACE ISSUED
Fernan Paul R. Tan	SSS ID No. 06-1461403-1	Tacloban City
Feliciano E. Elizon, Jr.	PRC ID No. 0069141	Tacloban City

WITNESS MY HAND AND SEAL on the date and place as above-  
indicated.

Doc No. 362

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Book No. VIII

Series of 2025

  
**Atty. IVY N. CASTILAN**  
Notary Public until December 31, 2025  
Within the territorial jurisdiction of RTC Tacloban  
Notarial Commission No. 2024-01-69  
Roll of Attorneys' No. 79916  
IBP OR No. 488139 | 12/27/2024 | Leyte  
PTR No. 0020401 | 01/02/2025 | Tanauan, Leyte  
MCLE Compliance No. VIII-0001785 until 04/14/2028  
Unit 5, Pi-India Arcade, Brgy. 58, Tacloban City, Philippines