Republic of the Philippines
ENERGY REGULATORY COMMISSION
Exquadra Tower, 1 Jade Drive
Ortigas Center, Pasig City

IN THE MATTER OF THE APPLICATION FOR CONFIRMATION AND APPROVAL OF EMERGENCY CAPITAL EXPENDITURE PROJECT, RE: PURCHASE AND INSTALLATION OF BRAND NEW 20-MVA POWER TRANSFORMER AT PAMPLONA SUBSTATION

ERC CASE NO. 2025-200 RC

November 21, 2025

CAMARINES SUR I ELECTRIC COOPERATIVE, INC. (CASURECO I)
Applicant.
x - x

APPLICATION

APPLICANT, CAMARINES SUR I ELECTRIC COOPERATIVE, INC. (CASURECO I) thru counsel, unto this Honorable Commission, most respectfully alleges that:

THE APPLICANT

1. CASURECO I is a non-stock, non-profit electric cooperative, duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Brgy. Puro-batia, Libmanan, Camarines Sur;

2. It holds an exclusive franchise from the National Electrification Commission to operate an electric light and power distribution service in certain municipalities of the province of

Camarines Sur, namely: Cabusao, Camaligan, Gainza, Libmanan, Lupi, Pamplona, Pasacao, Ragay, San Fernando and Sipocot.

LEGAL BASES FOR THE APPLICATION

3. CASURECO I submits the instant application for the Honorable Commission's confirmation and approval of subject Emergency Capital Expenditure (E-CAPEX) Project, Re: Purchase and Installation of a Brand New 20MVA Power Transformer at Pamplona Substation, pursuant to Republic Act No. 9136, ERC Resolution No. 26, Series of 2009 and related laws and rules.

PROJECT DESCRIPTION

4. The E-CAPEX project involves the following activities, to wit:

1	Supply, Delivery, Installation, Construction, Testing, and Commissioning of 20 MVA Power Transformer at Pamplona Substation

PROJECT SCHEDULE

5. The supply, delivery, installation, testing, and commissioning of the E-CAPEX project start and completion for brand new 20 MVA Power Transformer will span for a period of twenty-six (26) weeks, from July 30, 2025 to January 30, 2026.

PROJECT COST

6. Project cost using the 2023 NEA price index consisted of the following, to wit:

1	Purchase and Installation of Brand New 20 MVA Power Transformer at Pamplona Substation	PhP	42,903,612.90

PROJECT FINANCING

7. The Proposed E-CAPEX Project, will be financed through a combination of a loan from the National Electrification Administration (NEA) and Reinvestment Fund for Sustainable CAPEX (RFSC), as follows:

Particular	Amount	Fund Source
Purchase and Installation of Brand New 20 MVA Power Transformer at Pamplona Substation	₱33,802,000.00	NEA Loan
Rental of 15 MVA Power Transformer at Pamplona Substation	9,100,000.00	NEA Loan
Rental of 15 MVA Power Transformer at Pamplona Substation	1,612.90	RFSC Fund
Total	**₱42,903,612.90**	

RATE IMPACT

8. Based on the initial rate impact computation, the proposed E-CAPEX project with NEA Loan availment has no rate increase. However, as compared to not availing the NEA Loan there will have a rate increase of PhP0.0764/kWh, as shown in the table below, to wit:

Rate Impact Computation without NEA Loan				
Particular	**2025**	**2026**	**2027**	**3-Year Impact**
Cash Ending Balance	**(40,533,891.36)**	**4,116,546.68**	**5,299,170.84**	**(31,118,173.83)**
KWH Sales Forecast	128,392,030.45	134,208,530.41	144,441,226.40	407,041,787.26
Indicative Rate Increase	0.3157	(0.0307)	(0.0367)	0.0764
Average Rate Increase	0.0764	0.0764	0.0764	0.0764
Cash Inflow from the Add'l. Rate	9,815,516.85	10,260,185.83	11,042,471.15	31,118,173.93
Cash Ending Balance based on the new RFSC	**(30,718,374.50)**	**(16,341,641.99)**	**(0.00)**	**-**

JUSTIFICATIONS AND BENEFITS DELIVERED BY THE PROJECT

9. The 10 MVA power transformer at Pamplona Substation was energized in December 2007 and is composed of four (4) feeder circuits. It serves five (5) municipalities within the CASURECO I-area, namely: Pamplona, Pasacao, San Fernando, Gainza, and Camaligan.

10. On 11 March 2025, at approximately 10:00 in the morning, the Pamplona 10 MVA Substation experienced two (2) momentary power interruptions. The Substation Tender on-duty declared a lock-

up condition due to a permanent fault at Line 1 of Feeder 1, registering a fault current of approximately 2,178 Amperes at Feeder 1 relay.

11. Following this lock-up condition due to fault line incident, the area maintenance personnel of CASURECO I conducted a pole-to-pole inspection along the feeder line which revealed no visible abnormalities. Upon the arrival of CASURECO I's Technical Services Department (TSD) crew and engineers initiated visual inspection and preliminary testing of high-voltage equipment.

12. While the power transformer and feeders remained energized except for Feeder 1, CASURECO I conducted two (2) primary tests, namely: (1) a non-contact voltage detector was used to assess each phase of the primary and secondary sides of the power transformer; and (2) a Halo Ammeter was applied on the primary and secondary side to measure phase load in all terminals of feeder and power transformer to verify a suspected open circuit.

13. It was observed that a noticeable deviation in the transformer's vibration pattern and test results indicated no current reading on Line 1 terminal of the secondary side of the transformer. Due to these findings, an emergency power shutdown was implemented across the Pamplona Substation and its coverage area to allow further fault investigation.

14. As standard operating procedure, the substation was manually tripped off, and a continuity test confirmed an open circuit on Phase A of the secondary side of the power transformer. Subsequently, CASURECO I's engineers proceeded to open the top lid of the power transformer for ocular inspection. In said ocular inspection, the cooperative's engineers came across a disconnection between the secondary winding conductor and the corresponding secondary bushing which confirmed the suspected fault.

15. After such inspection and confirmation of suspected line fault, the load of the Pamplona Substation was temporarily transferred to the Libmanan Substation on the same day wherein Feeders 1 and 2 were connected to Feeder 10, while Feeders 3 and 4 were supplied by Feeder 11. This setup was implemented for 10 days in order to allow the installation and testing of the rented 15 MVA power transformer.

16. On 21 March 2025, the 15 MVA power transformer was successfully commissioned, and from then on, the Pamplona Substation and its feeders have resumed normal operations. Feeder 10 and Feeder 11 of Libmanan Substation, which temporarily supplied the Pamplona Feeder Circuit, had been unloaded.

17. CASURECO I engaged the services of the Delta Star Power Manufacturing Corp. to conduct the test on the 10 MVA Power Transformer. In both the Transformer Turn-Radio Test and the Winding Resistance Test returned with “open” results indicated a failure in this category.

18. And as shown in the 10 MVA Substation Analysis this year 2025, the 10 MVA power transformer has a demand of 10.01MW. This demand is equivalent to 10.10944-MVA which is 82.5% of the maximum rated capacity. This load analysis confirmed that the existing 10-MVA power transformer is no longer sufficient to meet both the current and projected demand.

19. Delta Star Power Manufacturing Corp. concluded that the power transformer is operating beyond its rated capacity and rapidly approaching the maximum capacity, which increases the risk of overloading, reduces efficiency, and threatens overall system reliability.

20. Thus, CASURECO I considered three options to address the present issue, namely:

a. Replacement of the 10 MVA Power Transformer with a New 10 MVA Unit;
b. Uprating the Existing 10 MVA Power Transformer to 15 MVA; and
c. Uprating the Existing 10 MVA Power Transformer to 20 MVA.

21. The aforementioned options were evaluated based on the capacities and total costs, to replace the existing or damaged 10-MVA power transformer. After thorough study of the 30-year load forecast and transformer loading analysis, uprating the existing 10-MVA power transformer to 20-MVA power transformer was identified as the most suitable and most economical option. That uprating the 10-MVA to 20-MVA power transformer will provide sufficient capacity to meet the projected load demands of the Pamplona Substation. Also, this option will provide a long-term solution by significantly increasing the capacity, potentially covering projected load growth over forecasted horizon. Furthermore, this will reduce the likelihood of requiring further upgrades or replacements in the near future.

22. Finally, the implementation of the E-CAPEX project will provide an adequate, reliable and efficient electric service to CASURECO I’s member-consumer-owners (MCOs) in the area served by Pamplona Substation.

SUBMISSION DOCUMENTARY AND PRE-FILING REQUIREMENTS

23. Finally, in compliance with the documentary as well as pre-filing requirements under ERC Resolution 26, Series of 2009 and Revised Rules of Practice and Procedure, respectively, the following documents are being submitted herewith to from integral parts hereof, to wit:

Annex Markings	Description of the Documents
Annex “A”	Executive Summary of the Emergency CAPEX Project
Annex “B” series	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Bayan of Libmanan and Offices of the Governor and Sangguniang Panlalawigan of Camarines Sur
Annex “C” series	Proof of publication of the Application in a newspaper of general circulation in CASURECO I’s franchise area or where it principally operates.

PRAYER

WHEREFORE, premises considered, applicant CASURECO I respectfully prays of this Honorable Commission that after due notice and hearing, its Emergency Capital Expenditure Project, Re: Purchase and Installation of Brand New 20 MVA Power Transformer at Pamplona Substation, be confirmed and approved accordingly.

Other forms of relief, just and equitable in the premises are likew ise prayed for.

Pasig City, Metro Manila, 28 October 2025.

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By:

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PTR No. 7370380, March 12, 2025, Quezon City
IBP No. 534268, January 27, 2025, Quezon City Chapter
MCLE Compliance No. Admitted to the Bar in January 2025[2]

[1]Pursuant to Office of the Court Administrator Circular No. 56-2015, hereunder are the MCLE Compliance Numbers of the undersigned Firm's named partners, to wit:

Partners	MCLE Compliance	Date of Issuance
Joseph Ferdinand M. Dechavez	MCLE Exemption Certificate No. VIII-Acad004390	February 26, 2025
Ditas A. Lerios-Amboy	Certification No. VII-0022795 (Completed the MCLE 8th Compliance Period. The certification, however, is still pending issuance by the MCLE Office.)	August 1, 2022
Nelson V. Evangelista	Certification No. VII-0022649 (Completed the MCLE 8th Compliance Period. The certification, however, is still pending issuance by the MCLE Office.)	July 20, 2022

[2] Explanation (Re: MCLE Compliance) - Admitted to the Philippine Bar in January 2025. Pursuant to Board Order No. 1, s. 2008 of the MCLE Governing Board, otherwise known as "Guidelines for MCLE Compliance of New Lawyers in view of Bar Matter No. 1922, S. 2008", he is exempted from complying with the last MCLE compliance period.