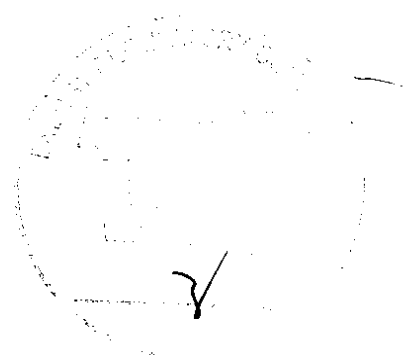


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



HUGO

MORTA,
Complainant,

- versus -

ERC CASE NO. 2003-327

MANILA ELECTRIC COMPANY,
(MERALCO),

Respondent.

x-----x

DOCKETED
Date: OCT. 29 2008
By: *[Signature]*

DECISION

Before this Commission for resolution is the verified complaint filed by Hugo Morta on June 10, 2003 against Manila Electric Company (MERALCO) for imposing a differential billing for his alleged use of an illegal electrical connection at his premises.

FACTS OF THE CASE

On May 17, 2003, respondent's personnel inspected complainant's electrical facilities and allegedly discovered a "jumper" tapped at drip loop of the adjacent metering facility leading to his loads without passing through his meter. As a consequence, respondent demanded from the complainant the payment of

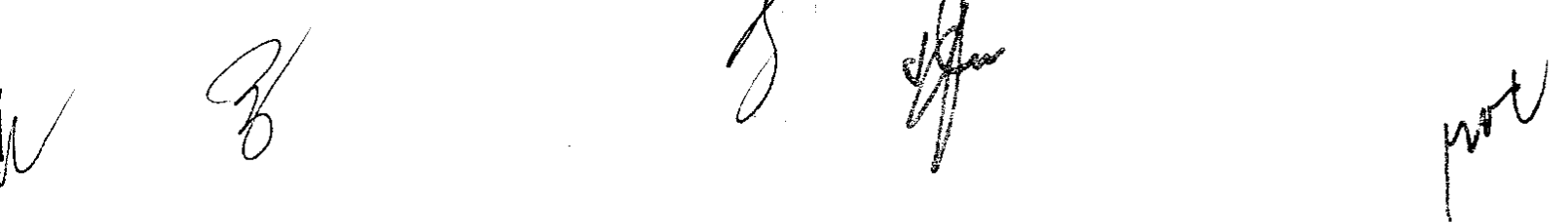
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Four Hundred Sixty One Thousand Five Hundred Three Pesos and Ten Centavos (PhP461,503.10) as differential billing for the unregistered consumption covering the period July 2001 to May 2003.

In its comment, respondent alleged that it conducted a routine inspection of complainant's premises on May 17, 2003; that the entire inspection was done in the presence of a police officer and the complainant's representative; that the inspection resulted in the discovery of an illegal connection; that it explained to the complainant's representative the results of its findings as contained in the Power Metering Field Order (PMFO); that a copy of the PMFO was duly received and acknowledged on the same date by complainant's representative; that it disconnected complainant's electric service after a notice of disconnection has been duly served; and that complainant still has an unpaid balance on the assessed differential billing after paying the amount of Forty Six Thousand One Hundred Fifty Pesos and Thirty Centavos (PhP46,150.30).

In his reply, complainant alleged that the illegal electrical connection was wrongfully attributed to him, his place of business being inside a compound of contiguous and adjacent businesses where three (3) electric meters are installed and only one (1) of which belongs to him; that there is no evidence to support respondent's allegation of illegal connection within his premises; that the differential billing has no sufficient basis; and that he paid a portion thereof for the purpose of restoring electric power at his place of business.

Since no amicable settlement has been reached by the parties after several pre-hearing conferences, the complaint was set for a formal hearing.

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Several hearings ensued wherein both parties presented evidence in support of their respective allegations.

On various dates, complainant and respondent submitted their respective "Formal Offers of Evidence".

DISCUSSION

Based on the evidence presented, the Commission is convinced that there was illegal connection committed by complainant. In one of the hearings, respondent's witness, John Casing, described in detail how the illegal connection was installed and tapped at the line-side leading to the machines inside the complainant's premises. The illegal connection was clearly depicted in a sketch (marked as Exhibit "5") by one of respondent's inspectors. Furthermore, the various pictures presented by respondent clearly showed the illegal wires, the tapping and the manner by which the pilferage was committed.

The evidence presented by the complainant failed to refute respondent's findings and was not substantiated by any corroborating evidence. He had no evidence to prove that said illegal connection did not lead to his premises but to either of the two (2) adjacent establishments. He failed to rebut the pictures which showed the existence of the wires that were illegally connected from the line-side leading to his premises. Even the complainant's electrician, who was present at the time of the discovery of illegal connection, could not explain nor deny its existence.

The Commission, likewise, finds Exhibit "C", which is a picture of complainant's electrical fuse box, irrelevant. "Jumper" wires do not necessarily

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pass through the fuse box. Thus, complainant's defense that his electrical fuse box bore no sign of irregularity cannot be given credit. The "regular" state of the fuse box does not discount the possibility of the existence of a jumper. Besides, respondent's evidence showed jumper wires leading to complainant's premises through the circuit breakers and not through the fuse box.

In this regard, the billing statements for the period March 21, 2003 to April 21, 2003 offered by the complainant cannot adequately serve as basis to show that there was no distinct or unusual disparity on his electric consumptions for the periods prior to and after the discovery of illegal electric connection. The variance in complainant's electric consumptions can be established from his billing history for the affected periods up to the time of apprehension, or from July, 2001 to May, 2003.

The Commission, thus, finds the computation of the differential billing of Four Hundred Sixty One Thousand Five Hundred Three Pesos and Ten Centavos (PhP461,503.10) reasonable under the circumstances. In addition, respondent is entitled to collect surcharges from complainant equivalent to twenty-five percent (25%) of his current bill pursuant to Section 8 (a) of Republic Act No. 7832 (R.A. 7832).

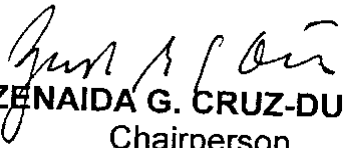
WHEREFORE, the foregoing premises considered, complainant HUGO MORTA is hereby found to have unregistered consumption due to an illegal electrical connection. Accordingly, he is directed to pay MANILA ELECTRIC COMPANY (MERALCO) the outstanding balance of Four Hundred Fifteen Thousand Three Hundred Fifty Two Pesos and 80/100 (PhP415,352.80), after deducting his partial payment of Forty Six Thousand One Hundred Fifty Pesos



and 30/100 (PhP46,150.30). He is, likewise, liable to pay MERALCO surcharges equivalent to 25% of his current bill.

SO ORDERED.

Pasig City, August 4, 2008.

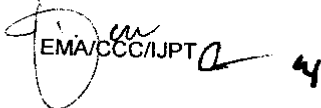

ZENAIDA G. CRUZ-DUCUT
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MARIA TERESA R. CASTAÑEDA
Commissioner


JOSE C. REYES
Commissioner


EMA/CCC/IJPT

Copy furnished:

1. Hugo Morta
185 GP Quirino Highway
BAESA, Q. C.
2. Atty. Edmund Altuna
Counsel for Complainant
Unit F-12 San Jose Condominium II
Maginoo St., Brgy. Central, Q. C.
3. Atty. Rommel Gorospe
Counsel for Respondent
MERALCO Legal Department
Ortigas Ave., Pasig City