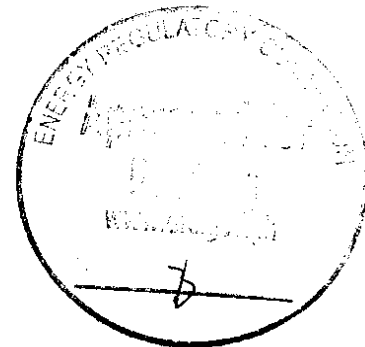


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



**IN THE MATTER OF THE VIOLATION
OF ERC ORDERS, RULES AND
REGULATIONS**

**QUEZON II ELECTRIC COOPERATIVE,
INC. (QUEZELCO II)**

ERC CASE NO. 2006 – 081 MC

Respondents.

**Failure to Submit Progress
Report on 5% Reinvestment on
Time.**

x ----- x

D O C K E T E D

Date: FEB 24 2009

By: M

DECISION

The Commission in its Decision dated September 25, 2003 under ERC Case No. 2001-998 promulgated Quezon II Electric Cooperative, Inc's (QUEZELCO II) unbundled rates pursuant to the provisions of Republic Act No. 9136 (R.A. 9136). In the said Decision, QUEZELCO II was directed to submit its progress report on the Reinvestment Fund not later than one (1) year after the date of its Unbundling Decision.

On April 7, 2006, the Commission issued a Show Cause Order directing QUEZELCO II to explain why no administrative penalty and/or criminal action should be imposed upon it, and/or criminal action instituted against its directors and officers, for its violation of the Commission's directive to submit its Progress Report on the Reinvestment Fund.

On June 16, 2006 QUEZELCO II submitted its Explanation and Reinvestment Fund Report covering the period from September 2004 to August 2005. Further, on February 13, 2009, the above-named DU submitted its Reinvestment Fund Report covering the period from January to December 2005. Finding its submission as substantial compliance with the Commission's directive, albeit done belatedly, in the interest of justice the Commission deems it proper, at this time, to simply issue a reprimand to this DU for its failure to comply with the Commission's directive on time.

WHEREFORE, the foregoing premises considered, respondent Quezon II Electric Cooperative, Inc. (QUEZELCO II) is hereby **REPRIMANDED** for the delay in the submission of its Reinvestment Fund Report and **WARNED** that a similar offense in the future shall be dealt with more severely.

SO ORDERED.

Pasig City, February 19, 2009

FOR AND BY AUTHORITY OF
THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner

Copy furnished:

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