

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

7

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

**ERC CASE NO. 2007-237 MC
For: Failure to Implement
the Final Rate Reduction due
to Loan Condonation and
Cross Subsidy Removal**

**PANGASINAN III ELECTRIC
COOPERATIVE, INC. (PANELCO III),
Respondent.**

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D O C K E T E D
Date: **SEP 15 2008**
By: *[Signature]*

DECISION

On February 14, 2007, the Commission issued a Show Cause Order directing Pangasinan III Electric Cooperative, Inc. (PANELCO III) to explain why no administrative penalty and/or criminal action should be imposed upon it, and/or against its directors and officers, for its failure to implement on time its approved final rate reduction due to loan condonation and the cross subsidy removal.

On April 18, 2007 PANELCO III filed a "Justification/Explanation" stating that the delay in the implementation was mainly due to the revision of the billing system to conform with the approved billing format. Given this, PANELCO III eventually implemented the directed final rate reduction due to

[Signature]

loan condonation and cross subsidy removal on its October 2005 billing. Available records with the Commission confirm this.

Finding this 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 PANELCO III for its failure to comply with the Commission's directive on time.

WHEREFORE, the foregoing premises considered, respondent Pangasinan III Electric Cooperative, Inc. (PANELCO III) is hereby **REPRIMANDED** for the delay in its implementation of the final rate reduction due to loan condonation and cross subsidy removal and **WARNED** that a similar offense in the future shall be dealt with more severely.

SO ORDERED.

Pasig City, September 8, 2008.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner
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Copy furnished:

1. **MR. WENDELL V. BALLESTEROS**
President
Philippine Rural Electric Cooperative Association (PHILRECA)
4th Floor Casman Building,
1198 Quezon Avenue, Quezon City

2. **ATTY. ZENON S. SUAREZ**
Counsel for Petitioner
Room 311 Web-Jet Building
64 Quezon Avenue corner BMA Street, Quezon City

3. **MR. NERI F. POLICINA**
General Manager
Pangasinan III Electric Cooperative, Inc. (PANELCO III)
Mc. Arthur Highway, Urdaneta City 2428

Reference No. 2008-D1-D243

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