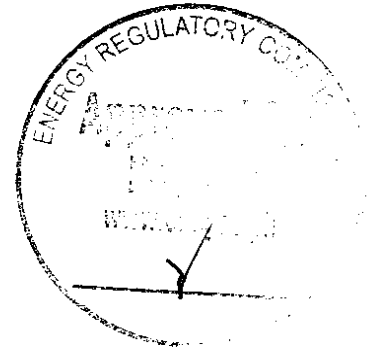


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



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

**ERC CASE NO. 2007-244 MC
Failure To Implement On Time
The Unbundled Rates**

**PENINSULA ELECTRIC COOPERATIVE,
INC. (PENELCO),**

Respondent.

x ----- x

D O C K E T E D
Date: **SEP 16 2008**
By: _____

DECISION

On April 18, 2007, the Commission issued a Show Cause Order directing PENELCO to submit an explanation under oath why no administrative penalty and/or criminal action should be imposed upon it, its directors and officers in view of its failure to implement the approved unbundled rates on time.

On May 31, 2007, PENELCO filed a "Certification" stating that: a) it did not receive a copy of the Order from the Commission dated March 31, 2004 denying its Motion for Reconsideration; b) it was only informed of such Order by the National Electrification Administration (NEA) through a fax message dated April 28, 2004; and c) revisions were done on its Official Electric Bill Receipt (OEBR) to fit the new unbundled rates. These circumstances led to PENELCO's belated implementation of

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its unbundled rates in the billing month of July 2004. 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 this DU for its failure to comply with the Commission's directive on time.

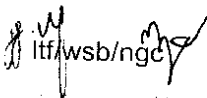
WHEREFORE, the foregoing premises considered, respondent Peninsula Electric Cooperative, Inc. (PENELCO) is hereby **REPRIMANDED** for the delay in its implementation of the approved unbundled rates and **WARNED** that a similar offense in the future shall be dealt with more severely.

SO ORDERED.

Pasig City, September 10, 2008.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner


lit/wsb/ngc

Reference: No. 2008-D1-D239

Copy furnished:

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