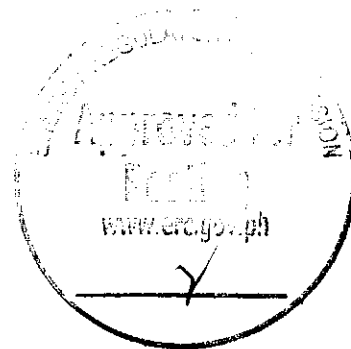


Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City




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

**ERC CASE NO. 2007- 263 MC
For: Failure to Implement the
Energy Regulatory
Commission's Order on
Purchased Power Adjustment
(PPA)**

**AURORA ELECTRIC COOPERATIVE,
INC. (AURELCO),**

Respondent.

x ----- x

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DECISION

On May 2, 2007, the Commission issued a Show Cause Order directing Aurora Electric Cooperative, Inc. (AURELCO), among other Distribution Utilities to explain why no administrative penalty and/or criminal action should be imposed upon it, and/or against its directors and officers in view of its failure to implement the refund on Purchased Power Adjustment (PPA) on time.

On February 11, 2008, AURELCO submitted its "Verified Explanation and Motion", stating that it deferred the implementation of the PPA refund pending the resolution of a Motion for Reconsideration (MR) which it filed before the Commission. AURELCO eventually implemented the directed refund in its June 2007 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 AURELCO for its failure to comply with the Commission's directive on time.

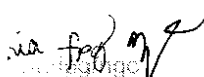
WHEREFORE, the foregoing premises considered, respondent Aurora Electric Cooperative, Inc. (AURELCO) is hereby **REPRIMANDED** for the delay in its implementation of PPA refund and **WARNED** that a similar offense in the future shall be dealt with more severely.

SO ORDERED.

Pasig City, September 11, 2008

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner


Reference No. 2008-D1-D247
Copy furnished:

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