

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- 265 MC
For: Failure to Implement the
Energy Regulatory
Commission's Order on
Purchased Power Adjustment
(PPA)**

**FIRST LAGUNA ELECTRIC
COOPERATIVE, INC. (FLECO),
Respondent.**

x ----- x

D O C K E T E D
Date: **APR 13 2009**
By: _____

DECISION

On May 2, 2007, the Commission issued a Show Cause Order directing FLECO 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 refund on Purchased Power Adjustment (PPA) on time.

In its submitted Motion for Reconsideration (MR) dated June 13, 2007, the above-named DU requested that the Order of the Commission dated May 2, 2007 be reconsidered and set aside. It was further averred that it is the position of FLECO, that before it can be directed to comply with the said Order, its MR filed on February 6, 2006 on the December 7, 2005 Order confirming the PPA charges implemented covering the period February 1996 to August 2003, must be resolved first.



On September 2, 2008, during the conference held at the Investigation and Enforcement Division (IED) of the Commission, FLECO committed to implement the subject refund on October 2008.

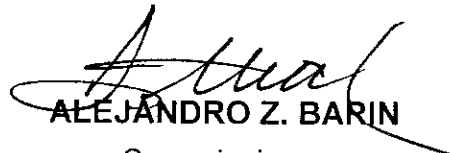
On November 19, 2008, FLECO submitted a "Letter/Explanation" stating that it started the implementation of the refund as directed on the billing month of October 2008. Available records with the Commission confirm this. Finding this as a substantial compliance with the Commission's directive, albeit done belatedly, in the interest of justice the Commission deems it proper, at this time, to simply issue a reprimand to FLECO for its failure to comply with the Commission's directive on time.

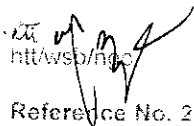
WHEREFORE, the foregoing premises considered, respondent **FIRST LAGUNA ELECTRIC COOPERATIVE, INC. (FLECO)** is hereby **REPRIMANDED** for the delay in the implementation of the PPA Order and **WARNED** that a similar offense in the future shall be dealt with more severely.

SO ORDERED.

Pasig City, April 7, 2009

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner *2/6*


Reference No. 2008-D1-D261

Copy furnished:

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PS/Acting General Manager

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