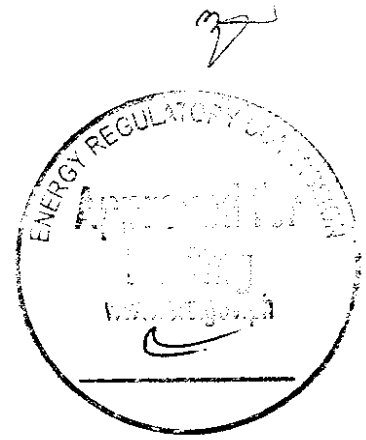


Republic of the Philippines
ENERGY REGULATORY COMMISSION
 San Miguel Avenue, Pasig City



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

ERC CASE NO. 2008 – 052 MC
 For: Implementing Capital
 Projects without Prior
 Approval from the Commission

**CAPIZ ELECTRIC COOPERATIVE,
 INC. (CAPELCO),**
 Respondent.
 x-----x

D O C K E T E D
 Date: JUN 18 2009
 By: [Signature]

D E C I S I O N

The Commission takes note of the "Offer of Settlement" filed by Capiz Electric Cooperative, Inc. (CAPELCO) on June 5, 2009, offering to pay as settlement of the case fifty percent (50%) of the total amount of the imposable penalty for the alleged violation, computed as follows:

Particulars	Amount (PhP)
Implementing Capital Projects without Prior Approval from the Commission	
Under R.A. 9136	
Initial Amount	100,000
Plus: PhP100 a day for every day of violation (August 7, 2006 to December 6, 2007) (P100/day x 487 days)	48,700
Total	148,700
Three Projects were affected (PhP148,700 x 3)	446,100
Fifty Percent (50%) thereof	223,050

[Signature]

Finding the said offer to be just and reasonable, and in accordance with the "Guidelines to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties Pursuant to Section 46 of Republic Act No. 9136", the same is hereby **ACCEPTED** and **APPROVED**. Accordingly, Capiz Electric Cooperative, Inc. (CAPELCO) is hereby directed to remit the total amount of **TWO HUNDRED TWENTY THREE THOUSAND AND FIFTY PESOS (PhP223,050.00)** in the name of the Energy Regulatory Commission within fifteen days (15) from receipt hereof.

SO ORDERED.

Pasig City, June 9, 2009.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner

Copy furnished:

1. **MR. PEDRITO BACULIO**
President
Philippine Rural Electric Cooperative Association (PHILRECA)
4th Floor Casman Building,
1198 Quezon Avenue, Quezon City
2. **ENGR. EDGAR D. DIAZ**
General Manager
Capiz Electric Cooperative, Inc. (CAPELCO)
5815 Panitan, Capiz

FSCJ/NGC/MSB/GCJE


FSCJ/NGC/MSB/GCJE

REGISTRATION AND RECORDS DIVISION