

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. 2006 – 112 MC
RE: Non-Inclusion of Pilferage
Recovery on Purchased Power
Adjustment (PPA) Computation**

**ERC CASE NO. 2006 – 115 MC
RE: Failure to Implement PPA
using the Power Cost at “Net of
Discounts”**

**ERC CASE NO. 2007 – 252 MC
RE: Failure to Implement ERC’s
Order on Purchased Power
Adjustment (PPA)**

**ERC CASE NO. 2007 – 296 MC
RE: Failure to Implement ERB’s
Order on Purchased Power
Adjustment (PPA)**

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

x x

D O C K E T E D
Date: **FEB 8 2 2010**
By: _____

D E C I S I O N

The Commission takes note of the “*Manifestation and Motion to Settle Fines and Penalties at 50%*” submitted by Pangasinan III Electric Cooperative, Inc. (PANELCO III) on January 15, 2010. The said amount represents fifty percent (50%) of the impossible penalty for the alleged violation, computed as follows:

A handwritten signature in black ink, appearing to be a stylized 'S' or similar mark.

| Particulars | Amount (PhP) |
|--|----------------|
| ERC Case No 2006-112 MC Non-Inclusion of Pilferage Recovery in PPA | |
| Under C.A 146 (January 1999 to June 17, 2002) (PhP200 x 1,005 days) | 201,000 |
| Under R.A. 9136 Initial Amount | 100,000 |
| Plus: PhP100 a day for every day of violation (June 18, 2002 to August 2004) (PhP100 x 642 days) | 64,200 |
| Total | 365,200 |
| Fifty Percent (50%) thereof | 182,600 |

| Particulars | Amount (PhP) |
|--|----------------|
| ERC Case No. 2006-115 MC Failure to Implement the PPA using the Power Cost at "Net of Discount" | |
| Under R.A. 9136 Initial Amount | 100,000 |
| Plus: PhP100 a day for every day of violation (July 2003 to August 31, 2004) (PhP100 x 428 days) | 42,800 |
| Total | 142,800 |
| Fifty Percent (50%) thereof | 71,400 |



| Particulars | Amount (PhP) |
|---|-----------------|
| ERC Case No. 2007-252 MC Failure to Implement the ERC PPA Order | |
| Under R.A. 9136 Initial Amount | 100,000 |
| Plus: PhP100 a day for every day of violation (April 2007 to September 30, 2007) | |
| (PhP100 x 183 days) | 18,300 |
| Total | 118,300 |
| Fifty Percent (50%) thereof | 59,150 |

| Particulars | Amount (PhP) |
|--|------------------|
| ERC Case No. 2007-296 MC Failure to Implement the ERB PPA Order | |
| Under C.A 146 | |
| (June 2000 to June 17, 2002) (PhP200 x 747 days) | 149,400 |
| Under R.A. 9136 Initial Amount | 100,000 |
| Plus: PhP100 a day for every day of violation (June 18, 2002 to February 5, 2007) | |
| (PhP100 x 1,693 days) | 169,300 |
| Total | 418,700 |
| Fifty Percent (50%) thereof | 209,350 |
| GRAND TOTAL | 1,045,000 |
| Fifty Percent (50%) thereof | 522,500 |



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, Pangasinan III Electric Cooperative, Inc. (PANELCO III) is hereby directed to remit the total amount of **FIVE HUNDRED TWENTY TWO THOUSAND FIVE HUNDRED PESOS (PhP522,500.00)** in the name of the Energy Regulatory Commission (ERC) within fifteen (15) days from receipt hereof.

SO ORDERED.

Pasig City, January 21, 2010.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner *ky*

Copy furnished:

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