

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 – 328 MC
RE: Failure to Implement PPA
Using the Power Cost at “Net”
of Discounts**

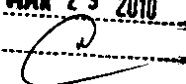
**ERC CASE NO. 2007-397 MC
RE: Non-Inclusion of Pilferage
Recovery in PPA
Computation**

**ERC CASE NO. 2007-289 MC
RE: Failure to Implement the
Energy Regulatory
Commission’s Order on
Purchased Power Adjustment
(PPA)**

**MISAMIS ORIENTAL I ELECTRIC
COOPERATIVE INC. (MORESCO I)**

Respondent.

x-----x

D O C K E T E D
Date: **MAR 29 2010**
By: 

D E C I S I O N

The Commission takes note of the letter sent by **Misamis Oriental I Electric Cooperative, Inc. (MORESCO I)** on January 22, 2010, offering to pay **TWO HUNDRED NINETY THREE THOUSAND NINE HUNDRED PESOS (PhP293,900.00)** for the settlement of the above cases. The said amount represents fifty percent (50%) of the total amount of the imposable penalty for the alleged violations, computed as follows:

Particulars	Amount (PhP)
For Failure to Implement PPA Using the Power Cost at "Net" of Discounts	
Under R.A. 9136 Initial Amount	100,000
Plus PhP100 a day for every day of violation (July 2003 to July 2004) (PhP100 x 397 days)	39,700
TOTAL	139,700
Fifty Percent (50%) thereof	69,850

Particulars	Amount (PhP)
For Non-Inclusion of Pilferage in PPA Computation	
Under C.A. 146 PhP 200 a day for each day of violation (June 2000 to February 2002) (PhP200 x 212 days)	42,400
Under R.A. 9136 Initial Amount Plus PhP100 a day for each day of violation (September 2002 to July 2004) (PhP100 x 153 days)	100,000
	15,300
TOTAL	157,700
Fifty Percent (50%) thereof	78,850

Particulars	Amount (PhP)
For Failure to Implement the ERC's Order on PPA	
Initial Amount Pursuant to 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" dated May 17, 2002	100,000
Plus: PhP100 a day for every day of violation (October 2006 to March 22, 2009) (PhP100 x 904 days)	90,400
Pursuant to the Resolution No. 03, Series of 2009 dated February 23, 2009: Additional Penalty for Any Willful Delay in the Implementation: (100% of the Basic Amount of Penalty - 3 months & above delay)	100,000
TOTAL	290,400
Fifty Percent (50%) thereof	145,200
TOTAL AMOUNT OF PENALTY (50%)	293,900

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, Misamis Oriental I Electric Cooperative, Inc. (MORESCO I) is hereby directed to remit the total amount of **TWO HUNDRED NINETY THREE THOUSAND NINE HUNDRED PESOS (PhP293,900.00)** in the name of Energy Regulatory Commission within fifteen days (15) from receipt hereof.

SO ORDERED.

Pasig City, March 24, 2010.

FOR AND BY AUTHORITY OF
THE COMMISSION:


ALEJANDRO Z. BARIN
Commissioner

Copy furnished:

1. **MR. RAMON C. POSADAS**
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Philippine Rural Electric Cooperative Association (PHILRECA)
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2. **ENGR. JULIE B. REAL**
General Manager
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3. **ATTY. ELEUTERIO F. DIAO IV**
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