

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



**IN THE MATTER OF THE APPLICATION FOR APPROVAL OF OVER/UNDER RECOVERIES BASED ON THE FORMULA ON THE VARIOUS AUTOMATIC COST ADJUSTMENT AND TRUE-UP MECHANISMS AND CORRESPONDING CONFIRMATION PROCESS PURSUANT TO ERC RESOLUTION NO. 16, SERIES OF 2009 AS AMENDED BY RESOLUTION NO. 21, SERIES OF 2010 AND ERC RESOLUTION NO. 23, SERIES OF 2010**

**ERC CASE NO. 2014-011 CF**

**ZAMBALES I ELECTRIC COOPERATIVE, INC. (ZAMECO I),**

**Applicant.**

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**DOCKETED**  
Date: **SEP 08 2016**  
By: *M*

**ORDER**

On 21 March 2014, Zambales I Electric Cooperative, Inc. (ZAMECO I) filed an application for approval of over/under recoveries based on the formula on the various Automatic Cost Adjustment and True Up Mechanisms and corresponding confirmation process pursuant to the Commission's Resolution No. 16<sup>1</sup>, Series of 2009 as amended by Resolution No. 21<sup>2</sup>, Series of 2010 and Resolution No. 23<sup>3</sup>, Series of 2010.

- <sup>1</sup> Entitled, "A Resolution Adopting the Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities."
- <sup>2</sup> Entitled, "A Resolution Amending Section 4 of Article 4 and Section 1 of Article 5 of the Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities."
- <sup>3</sup> Entitled, "A Resolution Adopting the Rules Implementing the Discounts to Qualified Senior Citizens and End-Users and Subsidy from the Subsidizing End-Users on Electricity Consumption Under Sections 4&5 of Republic Act No. 9994."

On 8 May 2014, the Commission issued an Order and a Notice of Public Hearing setting the Application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on 29 May 2014.

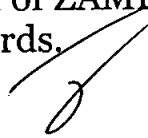
During the hearing on 29 May 2014, Applicant ZAMECO I manifested through its counsel that it was not able to comply with the jurisdictional requirements pursuant to the Order dated 08 May 2014 of the Commission due to material lack of time. Likewise, Applicant submitted in the said hearing a copy of its *Motion to Reset Hearing* dated 28 May 2014 for the resetting of the scheduled hearing of the instant Application. Subsequently, the Commission noted Applicant's manifestation and *Motion to Reset Hearing* dated 28 May 2014 and declared that the Commission will issue the necessary order for the resetting of the instant Application.

In view of the foregoing, the Commission hereby sets the instant Application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on **17 October 2016 (Monday) at two o'clock in the afternoon (2:00 P.M.) at the ERC Hearing Room, 15<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

ZAMECO I is hereby directed to cause the publication of the attached Notice of Public Hearing, at its own expense, once (1x) in a newspaper of general circulation in the Philippines, with the date of the publication to be made not later than ten (10) days before the scheduled date of initial hearing. It is also directed to inform the consumers within its franchise area, by any other means available and appropriate, of the filing of the instant application, its reasons therefor, and of the scheduled hearing thereon.

Let copies of the application, this Order and the attached Notice of Public Hearing be furnished the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives at the scheduled hearing.

Likewise, let copies of this Order and the attached Notice of Public Hearing be furnished the Offices of the Governor, the Mayors of the respective cities or municipalities, and the Local Government Unit (LGU) Legislative Bodies within the franchise area of ZAMECO I for the appropriate posting thereof on their bulletin boards.



ZAMECO I is directed to furnish all those making requests therefor with copies of the application and its attachments, subject to reimbursement of reasonable photocopying costs.

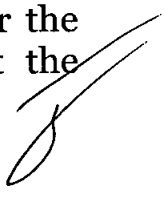
On the date of the initial hearing and pre-trial conference, ZAMECO I must submit to the Commission its written Compliance with the jurisdictional requirements attaching therewith, methodically arranged and duly marked, the pieces of evidence on the actual posting and publication of the Notice of Public Hearing consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors, and LGU Legislative Bodies, or their duly authorized representatives, bearing the seals of their offices, and the affidavit of the Editor or Business Manager of the newspaper where the said Notice of Public Hearing was published together with the complete issue of the said newspaper, and such other proofs of compliance with the requirements of the Commission.

ZAMECO I and all interested parties are directed to submit, at least five (5) days before the date of initial hearing and pre-trial conference, their respective Pre-trial Briefs containing, among others:

- a) a summary of admitted facts and proposed stipulation of facts;
- b) the issues to be tried or resolved;
- c) the documents or exhibits to be presented, stating the purposes and proposed markings thereof; and
- d) the number and names of the witnesses, with their written testimonies in an individual affidavit form, to be attached to the Pre-trial Brief.

Failure of ZAMECO I to submit the required Pre-trial Brief and Judicial Affidavits of its witnesses within the prescribed period shall be a ground for the cancellation of the scheduled hearing, and the resetting of which shall be six (6) months from said date of cancellation.

As part of the pre-trial conference, ZAMECO I must also be prepared to make an expository presentation of its application, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, what the



application is all about and the reasons and justifications being cited in support thereof.

**SO ORDERED.**

Pasig City, 30 August 2016.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

**JOSE VICENTE B. SALAZAR**  
*Chairman and CEO*

**ERC**  
Office of the Chairman



I-2016-005-OC-04666

LS: [Signature] / SP/ICG/APV/2014-011CF ZAMECO I ORD.doc.

Copy Furnished:

1. **ATTY. ARNIDO O. INUMERABLE**  
Counsels for ZAMECO I  
405 Elisa St. UE Village, Cainta, Rizal
2. **ZAMBALES I ELECTRIC COOPERATIVE, INC. (ZAMECO I)**  
San Vicente, Palauig, Zambales
3. **The Office of the Solicitor General**  
134 Amorsolo Street, Legaspi Village, Makati City  
Metro Manila
4. **The Commission on Audit**  
Don Mariano Marcos Avenue  
Diliman, Quezon City, Metro Manila
5. **The Senate Committee on Energy**  
Senate of the Philippines  
GSIS Building, Roxas Blvd., Pasay City, Metro Manila
6. **The House Committee on Energy**  
House of Representatives  
Batasan Hills, Quezon City, Metro Manila

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7. Office of the President of PCCI  
Philippine Chamber of Commerce and Industry (PCCI)  
3<sup>rd</sup> Floor, Chamber and Industry Plaza (CIP)  
1030 Campus Avenue corner Park Avenue  
McKinley Town Center, Fort Bonifacio, Taguig City
8. Office of the Provincial Governor  
Province of Zambales
9. Office of the Municipal Mayor  
Botolan, Zambales
10. Office of the Municipal Mayor  
Iba, Zambales
11. Office of the Municipal Mayor  
Palauig, Zambales
12. Office of the Municipal Mayor  
Masinloc, Zambales
13. Office of the Municipal Mayor  
Candelaria, Zambales
14. Office of the Municipal Mayor  
Sta. Cruz, Zambales
15. Office of the Sangguniang Panlalawigan  
Province of Zambales
16. Office of the Sangguniang Bayan  
Botolan, Zambales
17. Office of the Sangguniang Bayan  
Iba, Zambales
18. Office of the Sangguniang Bayan  
Palauig, Zambales
19. Office of the Sangguniang Bayan  
Masinloc, Zambales
20. Office of the Sangguniang Bayan  
Candelaria, Zambales
21. Office of the Sangguniang Bayan  
Sta. Cruz, Zambales
22. Investigation and Enforcement Division  
Energy Regulatory Commission  
17th Floor, Pacific Center, San Miguel Avenue, Pasig City

