

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City



IN THE MATTER OF THE APPLICATION FOR APPROVAL OF THE OVER/UNDER RECOVERIES BASED ON THE FORMULA FOR THE VARIOUS AUTOMATIC COST ADJUSTMENTS AND TRUE-UP MECHANISMS COVERING THE PERIOD 2018 TO 2020 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. 2021-012 CF

**PROVINCE OF SIQUIJOR
ELECTRIC COOPERATIVE,
INC. (PROSIELCO),**

Applicant.

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Promulgated:

June 29, 2021

ORDER

On 13 April 2021, Province of Siquijor Electric Cooperative, Inc. (PROSIELCO) filed an *Application* dated 24 March 2021 (Application), seeking the Commission's approval of the over/under recoveries based on the formula for the various automatic cost adjustments and true-up mechanisms covering the period 2018 to 2020 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.

The pertinent allegations of the said *Application* are hereunder quoted as follows:

1. That applicant is an electric cooperative duly organized and existing under and by virtue of the laws of the Philippines,

with the principal office at Nonoc, Larena, Siquijor where it may be served with summons and other legal processes, represented in this instance by its Officer-in-Charge, Ms. Glenn V. Galvan, of legal age, Filipino, married and with office address also located at Nonoc, Larena, Siquijor;

2. Herein applicant is the exclusive franchise holder issued by the National Electrification Administration (NEA) to operate an electric light and power services in the municipalities of Larena, Siquijor, San Juan, Lazi, Maria, Enrique Villanueva all in the Province of Siquijor;
3. That 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, Luzon Distribution Utilities (DUs) and Electric Cooperatives (ECs) are required to file their respective consolidated application for the approval of their confirmation filing on the Calculation of the Over or Under recovery in the implementation of various adjustment calculations covering the period from January 2018 to December 2020, as follows

Folder 1.

- a. Summary of O/U recoveries computation per charges for the entire period in yearly presentation
- b. Proposed scheme of refund/collect using the latest kwh sales

Folder 2. Supplier and Transmission Data

- c. Fully accomplished supplier and transmission data sheet;
- d. Power bills from suppliers (Power bill – Proof of Payment – Debit or Credit Memo)

Folder 3. Statistical Data

- e. Fully accomplished Statistical Data Sheet for the year
- f. MFSR – Sections B and E/Pilferage Cost Recoveries
- g. Report of implemented other adjustments

Folder 4. Actual Implemented Rates Data

- h. Fully accomplished Actual Implemented Rates sheet for the year
- i. Fully accomplished Lifeline Discount sheet for the year
- j. Fully accomplished Senior Citizen Discount sheet for the year
- k. Consumer bills per customer class (non-lifeliner)
- l. Consumer bill per Lifeline Bracket (lifeliner)
- m. Senior citizen consumer bill

Folder 5. Other Docs

- n. Submitted URR

4. That in applying the various formulae in the determination of the adjustments and the recovery or refund of Over or Under Recoveries herein applicant hereby adopts the respective formula as provided for in ERC Resolution No. 16 Series of 2009, as amended by Resolution No. 21 S. 2010, and ERC Resolution No. 23, Series of 2010 together with the specific definitions and sub-formula for each item thereof;
5. That in support of this application has hereby submitted and attached to this application the other requirements, as follows:

**RESULT OF OVER ALL UNDER/OVER RECOVERY
CY - 2018, 2019 & 2020**

Particulars	Actual Revenue (Php)	Allowable Revenue (Php)	(Over)/Under Recovery (Php)
Generation Rate (GR)	506,615,399.33	506,611,319.58	(4,079.76)
Transmission Rate (TR)	0	0	0
System Loss Rate (SLR)	50,547,103.02	51,556,651.07	1,009,548.05
Lifeline Rates (LR)	3,930,864.19	3,851,705.16	(79,159.03)
Senior Citizen Rates (SR)	75,414.25	71,228.51	(4,185.75)
Net Results	561,168,780.80	562,090,904.32	922,123.52

**PROPOSED SCHEME OF REFUND/COLLECT
fty 2018 2019 & 2020**

Particulars	Number of Months	(Over)/Under Recovery	
		In Php	Php/KwH
Generation Rate (GR)	24	(4,079.76)	(0.0001)
Transmission Rate (TR)		0	0
System Loss Rate (SLR)	24	1,009,548.05	0.0173
Lifeline Rates (LR)	24	(79,159.03)	(0.0014)
Senior Citizen Rates (SR)	24	(4,185.75)	(0.0001)

		922,123.52	0.0158

PRAYER

WHEREFORE, premises considered, it is respectfully prayed of this Honorable Commission that the submitted calculations and computations prepared by applicant be approved. That upon receipt of the Order of approval, herein applicant be allowed to propose the scheme of refund/recovery as the case may be.

Other relief/s just and equitable in the premises are likewise prayed for.

Finding the said *Application* to be sufficient in form with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020¹, dated 24 September 2020 and Resolution No. 01, Series of 2021, dated 17 December 2020 (ERC Revised Rules of Practice and Procedure)²:

Date	Platform	Activity
10 August 2021 (Tuesday) at two o'clock in the afternoon (2:00 PM)	Microsoft Teams	Determination of compliance with the jurisdictional requirements and expository presentation
17 August 2021 (Tuesday) at two o'clock in the afternoon (2:00 PM)	Microsoft Teams	Pre-trial Conference and presentation of evidence

RELATIVE THERETO, PROSIELCO is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* once (1x) in a newspaper of nationwide circulation in the Philippines at its own expense, with the date of

¹ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

² A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

publication to be made not later than ten (10) days before the date of the scheduled initial hearing;

- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors and the Local Government Unit (LGU) legislative bodies within its franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within the franchise area, by any other means available and appropriate, of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, 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 and attend the scheduled hearing; and
- 5) Furnish with copies of the *Application* and its attachments all those making requests therefor, subject to the resolution of the prayer for confidential treatment of information, if any, and reimbursement of reasonable photocopying costs.³

Within five (5) calendar days prior to the date of the initial virtual hearing, PROSIELCO must submit to the Commission via electronic mail (e-mail) at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph, the scanned copies of its written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked, the following:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of the affidavit of the Editor or Business Manager of the newspaper where the said *Notice of Virtual Hearing* was published, and the complete issue of the said newspaper;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the

³ For the e-mail address of the applicant, please see page 9 of this *Order*.

aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;

- 3) The evidence of other means employed by PROSIELCO to inform the consumers within the franchise area of the filing of the *Application*, its reasons therefor, and of the scheduled hearing thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Application* and its attachments by all those making requests therefor, if any; and
- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, PROSIELCO is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publication and certifications issued by the concerned Office of the Mayors, Governor and Local Legislative Bodies, and to submit proof of its posting thereof.

PROSIELCO and all interested parties are also required to submit via e-mail at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days before the date of the scheduled virtual hearing and Pre-trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

PROSIELCO must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission at least five (5) calendar days before the date of the scheduled initial virtual hearing and Pre-trial Conference pursuant to the preceding paragraph.

Failure of PROSIELCO to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearing, and the resetting of which shall be six (6) months from the said date of cancellation.

PROSIELCO must also be prepared to make an expository presentation of the instant *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, the nature of the *Application* with relevant information and pertinent details substantiating the reasons and justifications being cited in support thereof.

PROSIELCO is hereby directed to file a copy of its Expository Presentation via e-mail at doCKET@erc.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days prior to the scheduled virtual hearing. PROSIELCO shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, at least five (5) calendar days prior to the scheduled virtual hearing.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via e-mail at doCKET@erc.ph, copy furnish the Legal Service through legal@erc.ph. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

PROSIELCO is hereby directed to submit, either through personal service, registered or ordinary mail/private courier, one (1) set of the original or certified true hard/printed copy/ies of its Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavit/s of witness/es, within five (5) working days from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission. Similarly, all interested parties who filed their Petition for Intervention or Opposition are required to submit the hard/printed copy thereof within the same period through any of the available modes of service.

Finally, PROSIELCO, including its authorized representative/s and witness/es, are hereby directed to provide the Commission, thru legal.virtualhearings@erc.ph, with their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.


SO ORDERED.

Pasig City, 15 June 2021.

FOR AND BY AUTHORITY
OF THE COMMISSION:



AGNES VST DEVANADERA
Chairperson and CEO



LS: EDR/MCCG



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COPY FURNISHED:

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