

FAQ on Application for Revised Rates:

Question: PROCESSES DONE BY ERC BEFORE APPROVING OR DISAPPROVING PETITIONS FOR RATE INCREASE. ARE THERE HEARINGS INVOLVED? WHO ARE THE PARTICIPANTS? HOW OFTEN ARE THESE HEARINGS HELD AND WHO ARE INVITED? ARE CONSUMER GROUPS ALSO INVITED?

Answer:

- **Case under the Commission:** Under par. (u), Section 43 of Republic Act No. 9136, the ERC shall have original and exclusive jurisdiction over all cases contesting rates, fees, fines and penalties imposed by the ERC in the exercise of the powers, functions, responsibilities granted under RA 9136 and over all cases involving disputes between and among participants or players in the energy sector.
- **Rules Governing Hearings before the Commission:** Hearings before the Commission are governed by the ff:
 - ⇒ R.A. 9136
 - ⇒ Rules and Regulations Implementing RA 9136
 - ⇒ Rules of Practice and Procedure Governing Hearings before the Energy Regulatory Board, as adopted by the Commission
 - ⇒ The Rules of Court, in an analogous and suppletory character, whenever practicable and convenient
- **Pre-filing Requirement Under the IRR of R.A. 9136:** All application or petition for rate adjustment or for any relief affecting the consumers:
 - ⇒ must be verified
 - ⇒ accompanied with an acknowledgement receipt by the LGU Legislative Body of the locality where the applicant or petition principally operates of the copy of the application
 - ⇒ accompanied by a certification of the notice of publication of the petition or application in a newspaper of general circulation in the locality
- **Provisional Authority:** The Commission may grant or deny the relief prayed for not later than seventy-five (75) days from the filing of the application or petition, based on the application or petition and the supporting documents attached thereto and such comments or pleadings the consumers or the LGU concerned may have filed within thirty (30) calendar days from receipt of a copy of the application or petition or from the publication thereof as the case may be. Thereafter, the ERC shall conduct a formal hearing on the application or petition, giving notice to all concerned parties, with at least one hearing in the affected municipality, and shall decide the matter on the merits not later than twelve (12) months from the issuance of the provisional order.

- **Notice of Hearing:** Under RA 9136, notices of hearings to be conducted by the ERC for the purpose of fixing rates or fees shall be published at least twice for two (2) successive weeks in two (2) newspapers of general circulation.
In effect, there are two publication requirements: (1) publication of application as a pre-hearing requirement, and (2) publication of Notice of Hearing.
- **Allowed Pleadings:** The pleadings allowed under the Commission's rules are limited to the application, complaint, petition, opposition, the answer, the reply and such other pleadings as the Commission may allow.
- **Order of Procedure:** As far as practicable, the order for presentation of evidence shall be as follows:
 - ⇒ Presentation of evidence shall start with the party initiating the proceeding (i.e. petitioner/applicant /complainant) presenting his evidence. Witnesses presented can be subjected to cross-examination by the opposing party.
 - ⇒ Thereafter, the party opposing the grant of the relief sought shall then present their own evidence.
 - ⇒ Presentation of rebuttal or surrebuttal evidence may be allowed in the discretion of the Commission.
 - ⇒ After parties have presented their respective evidence, the Commission shall resolve the issues of the case.

Question: WHAT ARE THE FACTORS CONSIDERED BY ERC BEFORE GRANTING PETITIONS? HOW MUCH WEIGHT DOES THE ERC GIVE TO CONSUMER WELFARE VIS A VIS A POWER COMPANY'S FINANCIAL STATUS?

Answer:

- Being a regulator, our role is to balance the interests of both sides. The ERC should not only protect consumer interest by ensuring transparent and reasonable prices of electricity but should also give due consideration to the utility/investors by allowing them to
- operate viably.