

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City



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

ERC CASE NO. 2021-035 CF

**BOHOL II ELECTRIC
COOPERATIVE, INC.
(BOHECO II),**

Applicant.

Promulgated:
July 30, 2021

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NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 12 July 2021, Bohol II Electric Cooperative, Inc. (BOHECO II) filed an *Application* dated 15 March 2021, seeking the Commission's approval of its over or under recoveries based on the formula for the various automatic cost adjustments and true up mechanisms and corresponding confirmation process pursuant to the Commission's Resolution No. 16 Series of 2009 and Resolution No. 21 Series of 2010.

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

1. Applicant is an electric cooperative duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Cantagay, Jagna, Bohol, 6308 where it may be served with summons and other legal processes, represented in this instance by its General Manager, Engr. Eugenio R. Tan, of legal age, Filipino, married and with office address also located at Cantagay, Jagna, Bohol per Board Resolution No. 44-2021;
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 (21) municipalities, namely the municipalities of Alicia, Anda, Bien-Unido, Buenavista, Candijay, Carlos P. Garcia Island, Dagohoy, Danao, Duero, Garcia-Hernandez, Getafe, Guindulman, Jagna, Mabini, Pilar, San Miguel, Sierra Bullones, Talibon, Trinidad, Ubay and Valencia, all in the province of Bohol;
3. Pursuant to ERC Resolution No. 16 Series of 2009 as amended by ERC Resolution No. 21 Series of 2010, more specifically Article 5, Section 1 thereof, all Visayas Distribution Utilities (DUs) shall file their respective consolidated applications on or before March 31, 2021 for the over/under recoveries on their implementation of various automatic cost adjustment and true-up mechanisms;
4. In applying 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 and ERC Resolution No. 21 Series of 2010 together with the specific definitions and sub-formula for each item thereof;
5. In support of this application, herein applicant attached the following required documents contained in the guidelines issued by the Honorable Energy Regulatory Commission, to wit:

FOLDER 1- APPLICATION

- a. Application
- b. Supply & Trans Data sheet for the year
- c. Statistical Data Sheet for the year
- d. Actual Implemented Rates Sheet for the Year
- e. Lifeline Discount Sheet for the year
- f. Senior Citizen discount sheet for the year
- g. Additional Statistical data Sheet for the year
- h. Summary of O/U Recoveries/Refund Computation yearly
- i. Proposed Refund/Collect Scheme

FOLDER 2 – SUPPLIER AND TRANSMISSION DATA

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- a. Power bills from suppliers, Proof of Payment, Adjustments/Debit or Credit memo
- b. NGCP

FOLDER 3 – STATISTICAL DATA

- a. Summary of pilferage Cost recoveries/manifestation if N/A
- b. Report of implemented Orders/Decisions
- c. Monthly Financial & Statistical Report (Sections A & E)
- d. Demand (KW) Sales Summary Report

FOLDER 4 – ACTUAL IMPLEMENTED RATES DATA

- a. Two (2) consumer bills per customer class (non-lifeline)
- b. One (1) consumer bill per Lifeline bracket (lifeline)
- c. One (1) Senior Citizen consumer bill

FOLDER 5 – OTHER DOCS

- a. Submitted Monthly URR (as per Res. No. 17 series of 2009)
- b. Submitted Monthly URR addendum
- c. Single Line Diagram
- d. Submitted Monthly reports as per ERC Resolution 10 series of 2018

- 6. The Summary of pass true-cost vis-à-vis the actual billing on estimated Generation, Transmission, System Loss, Lifeline Subsidy, Senior Citizen Subsidy rates are as follows, to wit:

BOHOL II ELECTRIC COOPERATIVE, INC.
SUMMARY OF (OVER) / UNDER RECOVERY
For the years 2018 – 2021

1. Generation

Year	GENERATION		(Over) / Under
	Allowable Generation Cost	Generation Revenues	
2018	700,906,107.97	702,076,435.25	(1,170,327.28)
2019	707,807,735.83	711,799,126.73	(3,991,390.90)
2020	694,221,896.65	697,219,911.16	(2,998,014.51)
Total	2,102,935,740.45	2,111,095,473.14	(8,159,732.69)

2. Transmission

Year	TRANSMISSION		(Over) / Under
	Allowable Transmission Cost	Transmission Revenue	
2018	95,021,817.82	93,339,246.28	1,682,571.54
2019	95,484,968.14	97,623,173.72	(2,138,205.58)
2020	109,014,441.50	108,340,183.75	674,257.75
Total	299,521,227.46	299,302,603.75	218,623.71

3. System Loss Rate

Year	SYSTEM LOSS		(Over) / Under
	Allowable System Loss Cost	System Loss Revenues	
2018	84,383,190.59	84,595,831.28	(212,640.69)

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2019	83,148,977.90	89,963,825.49	(6,814,847.59)
2020	84,934,015.32	92,263,786.43	(7,329,771.11)
Total	252,466,183.81	266,823,443.20	(14,357,259.39)

4. Life Line Discount / Subsidy

Year	LIFELINE		(Over) / Under
	Total Lifeline Discount	Actual Lifeline Subsidy	
2018	2,886,918.52	2,969,194.54	(82,276.02)
2019	2,609,124.12	2,730,114.85	(120,990.74)
2020	2,391,606.47	3,429,731.21	(1,038,124.74)
Total	7,887,649.11	9,129,040.61	(1,241,391.50)

5. Senior Citizen Discount / Subsidy

Year	SENIOR CITIZEN		(Over) / Under
	Discount	Subsidy	
2018	37,430.17	35,610.46	1,819.71
2019	36,086.60	33,633.71	2,452.90
2020	16,224.32	17,099.58	(875.26)
Total	89,741.09	86,343.75	3,397.34

6. Summary

Particulars	Revenue		(Over) / Under Recovery
	Pass Through	Actual Collection	
Generation	2,102,935,740.45	2,111,095,473.14	(8,159,732.69)
Transmission	299,521,227.46	299,302,603.75	218,623.71
System Loss Rate	252,466,183.81	266,823,443.20	(14,357,259.39)
Life Line Discount / Subsidy	7,887,649.11	9,129,040.61	(1,241,391.50)
Senior Citizen Discount / Subsidy	89,741.09	86,343.75	3,397.34
Total	2,662,900,541.92	2,686,436,904.45	(23,536,362.54)

7. BOHECO II has duly complied with the pre-filing requirements in accordance with the Rules of Practice and Procedure of the Energy Regulatory Commission.

PRAYER

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

All other relief which are deemed just and equitable are likewise prayed for.

The Commission has set the *Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platform 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
31 August 2021 (Tuesday) at nine o'clock in the morning (9:00 AM)	Microsoft Teams	Determination of compliance with the jurisdictional requirements and expository presentation
07 September 2021 (Tuesday) at nine o'clock in the morning (9:00 AM)	Microsoft Teams	Pre-trial Conference and presentation of evidence

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via electronic mail (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.

Moreover, any persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at doCKET@erc.ph, copy furnish the Legal Service through legal@erc.ph, a verified Petition to Intervene at least five (5) calendar days prior to the date of the initial virtual hearing and subject to the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name, mailing address, and e-mail address;
- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and

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.

- 3) A statement of the relief desired.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at docket@erc.ph, copy furnish the Legal Service through legal@erc.ph, their Opposition or Comment thereon at least five (5) calendar days prior to the initial virtual hearing and subject to the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name, mailing address, and e-mail address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.


Any of the persons mentioned in the preceding paragraphs may access the copy of the *Application* on the Commission's official website at www.erc.gov.ph.

Finally, all interested persons may be allowed to join the scheduled initial virtual hearings by providing the Commission, thru legal.virtualhearings@erc.ph, with their respective e-mail addresses and indicating therein the case number of the instant *Application*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

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WITNESS, the Honorable Commissioners **ALEXIS M. LUMBATAN, CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL** and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 21st day of July 2021 in Pasig City.


AGNES VST DEVANADERA
Chairperson and CEO


LS: SQD/LSP/MCCG

