

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. 2014-092 MC  
Re: Failure to comply with  
ERC Resolution No. 16, Series  
of 2009, As Amended by ERC  
Resolution No. 21, Series of  
2010 and ERC Resolution No.  
23, Series of 2010**

**PAMPANGA III  
ELECTRIC  
COOPERATIVE INC.  
(PELCO III),**

**D O C K E T E D**  
Date: MAY 03 2018  
By: \_\_\_\_\_

**Respondent.**

**X ----- X**

**ORDER**

On 18 October 2010, ERC Resolution No. 21, Series of 2010<sup>1</sup> was issued amending Article 5, Section 1 of ERC Resolution No. 16, Series of 2009.<sup>2</sup> It provides the new period of filing of the consolidated applications for approval of the over/under recoveries based on the formula on the various automatic cost adjustments and true-up mechanisms and corresponding confirmation process pursuant to the aforementioned resolutions. Records show that Pampanga III Electric Cooperative, Inc. (PELCO III), failed to comply with the Commission's directive as contained in the said provision.

On 19 May 2014, the Commission issued a Show Cause Order (SCO) to PELCO III to submit an explanation why no administrative penalty should be imposed upon it and/or criminal action instituted against it, its directors and its officers, for its failure to file the application for approval of its (over)/under-recoveries 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.

<sup>1</sup> 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>2</sup> A Resolution Adopting the Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities

*1/6*

Respondent PELCO III submitted its explanation through the Motion for Reconsideration filed before this Commission dated 19 July 2016.

Accordingly, the Commission issued a Decision dated 8 March 2016, directing PELCO III to pay **THREE HUNDRED THOUSAND PESOS (300,000.00)**, representing the penalty for the aforesaid violation.

In compliance therewith, on 19 April 2017, PELCO III paid the amount of **THREE HUNDRED THOUSAND PESOS (300,000.00)**, as evidenced by ERC Official Receipt No. 4569666.

In view of the foregoing, the Commission hereby declared this case **CLOSED AND TERMINATED**.

**SO ORDERED.**

Pasig City, 26 March 2018.

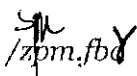
FOR AND BY AUTHORITY OF THE  
COMMISSION:

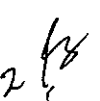
  
**AGNES VST DEVANADERA**  
*Chairperson and CEO*



Copy furnished:

**Pampanga III Electric Cooperative, Inc. (PELCO III)**  
Sampaloc, Apalit, Pampanga

  
/zpm, fbd

  
2/18