

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



IN THE MATTER OF THE
APPLICATION FOR
CONFIRMATION OF OVER AND
UNDER RECOVERIES OF
AUTOMATIC COST
ADJUSTMENTS FOR THE
BILLING PERIOD FROM
JANUARY 2012 TO DECEMBER
2014

ERC CASE NO. 2015-010 CF

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

Applicant.

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DOCKETED

Date: AUG 26 2015

ORDER

On March 30, 2015, Bohol II Electric Cooperative, Inc. (BOHECO II) filed an application for confirmation of over and under recoveries of automatic cost adjustments for the billing period from January 2012 to December 2014.

In the said application, BOHECO II alleged, among others, the following:

1. It is an electric cooperative duly organized and existing under Philippine law; with principal office address at Cantagay, Jagna, Bohol; franchised to construct, own, operate and maintain an electric distribution system in the municipalities of Alicia, Anda, Bien Unido, Buenavista, Candijay, Carlos P. Garcia Island, Dagohoy, Danao, Duero, Garcia Hernandez, Getafe, Gundulman, Jagna, Mabini, Pilar, San Miguel, Sierra Bullones, Talibon, Trinidad, Ubay and Valencia, all in the Province of Bohol. Its OIC-General Manager is Engr. Eugenio R. Tan;
2. In compliance with the *Resolution Adopting the Rules Governing the Automatic Cost Adjustment and True-Up*

Mechanisms and corresponding Confirmation Process for Distribution Utilities, BOHECO II submits this application for confirmation of its over and under recovery of automatic cost adjustments implemented for the billing period from January 2012 to December 2014, more particularly described as follows:

Year	GENERATION (AGRA)		(Over) / Under
	Allowable Generation Cost	Generation Revenues	
2012	309,378,389.79	305,186,246.39	4,192,143.40
2013	334,677,292.44	329,518,494.87	5,158,797.56
2014	386,614,925.66	383,977,481.76	2,637,443.90
Total	1,030,670,607.89	1,018,682,223.02	11,988,384.87

Year	TRANSMISSION (TRAM)		(Over) / Under
	Allowable Transmission Cost	Transmission Revenue	
2012	65,170,409.39	60,585,993.58	4,584,415.81
2013	67,006,105.97	67,310,527.35	(304,421.38)
2014	66,276,267.04	67,447,790.03	(1,171,522.99)
Total	198,452,782.39	195,344,310.95	3,108,471.44

Year	SYSTEM LOSS (SLR)		(Over) / Under
	Allowable System Loss Cost	System Loss Revenues	
2012	43,526,476.74	49,947,016.90	(6,420,540.16)
2013	43,431,371.35	58,631,502.78	(15,200,131.44)
2014	67,917,979.46	63,167,603.79	4,750,375.66
Total	154,875,827.54	171,746,123.48	(16,870,295.93)

Year	LIFELINE		(Over) / Under
	Total Lifeline Discount	Actual Lifeline Subsidy	
2012	(2,588,748.10)	5,177,556.63	(2,588,808.54)
2013	(3,020,998.09)	5,779,645.15	(2,758,647.07)
2014	(3,010,058.64)	3,057,235.61	(47,176.97)
Total	(8,619,804.83)	14,014,437.40	(5,394,632.57)

Year	SENIOR CITIZEN		(Over) / Under
	Discount	Subsidy	
2012	(86,928.29)	156,189.05	(69,260.76)
2013	(28,362.72)	50,011.30	(21,648.58)
2014	(14,059.14)	25,576.31	(11,517.17)
Total	(129,350.15)	231,776.66	(102,426.51)

Particulars	Summary		(Over) / Under Recovery
	Pass Through	Actual Collection	
AGRA	1,030,670,607.89	1,018,682,223.02	11,988,384.87
TRAM	198,452,782.39	195,344,310.95	3,108,471.44
SLR	154,875,827.54	171,746,123.48	(16,870,295.93)
Lifeline	(8,619,804.83)	14,014,437.40	(5,394,632.57)
Senior Citizen	(129,350.15)	231,776.66	(102,426.51)
Total			(7,270,498.70)

3. It submits the following documents in support of this application:
 - a. Uniform Reportorial Requirements (URR);
 - b. Invoices from Power Suppliers;
 - c. Official Receipts of Payments to Power Suppliers;
 - d. Debit/Credit Memo from Power Suppliers;
 - e. Three (3) different copies of Consumer's Bills per Customer Class of Non-Lifeliners;
 - f. Three (3) different copies of Consumer's Bills of Lifeline Customers;
 - g. Generation Rate (GR) and System Loss Rate (SLR) computation;
 - h. Lifeline Rates Computation;
 - i. Frequency distribution by kWh consumption and number of Lifeline Customers;
 - j. Monthly Financial and Statistical Report (MSFR);
 - k. VAT Computation;
 - l. BIR Form No. 2550M;
 - m. Photocopy of Official Receipt of Payment to BIR;
 - n. Pilferage Report; and
 - o. Summary of PPA Refund Report; and

4. It prays that after due notice and hearing, the Commission render a Decision confirming its calculation of its over and under recovery of automatic cost adjustments implemented for the billing period from January 2012 to December 2014.

Finding the said application to be sufficient in form and in substance with the required fees having been paid, the same is hereby set for initial hearing, expository presentation, pre-trial conference and evidentiary hearing on **September 21, 2015 (Monday) at two o'clock in the afternoon (2:00 P.M.) at the ERC Hearing Room, 15th Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

BOHECO II 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 of Bohol and the Mayors of the Municipalities/Cities within the franchise area of BOHECO II for the appropriate posting thereof on their respective bulletin boards.

BOHECO II is hereby 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, BOHECO II must submit to the Commission its written Compliance with the jurisdictional requirements attaching therewith, methodically arranged and duly marked, the evidences on the actual posting and publication of the Notice of Public Hearing consisting of certifications issued to that effect, signed by the afore-mentioned Governor and Mayors 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.

BOHECO II 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 therefore; 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 BOHECO II to submit the required Pre-trial Brief and Judicial Affidavits of its witnesses 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 said date of cancellation.

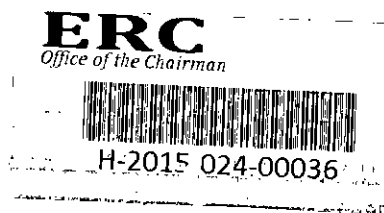
As part of the pre-trial conference, BOHECO II must also be prepared to make an expository presentation of its application, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, what the application is all about and the reasons and justifications being cited in support thereof.

SO ORDERED.

Pasig City, August 17, 2015.

FOR AND BY AUTHORITY
OF THE COMMISSION:


JOSE VICENTE B. SALAZAR
Chairman



Copy Furnished:

1. **Atty. Ranulfo M. Ocampo**
Counsel for BOHECO II
8/F STRATA 100, F. Ortigas Jr. Road
Ortigas Center, 1605 Pasig City
2. **BOHOL II ELECTRIC COOPERATIVE, INC. (BOHECO II)**
Cantagay, Jagna, Bohol
3. **Engr. Eugenio R. Tan**
OIC-General Manager
BOHOL II ELECTRIC COOPERATIVE, INC. (BOHECO II)
Cantagay, Jagna, Bohol
4. **Commission on Audit**
Commonwealth Avenue
Quezon City
5. **Senate Committee on Energy**
GSIS Building, Roxas Boulevard
Pasay City
6. **House Committee on Energy**
Batasan Hills, Quezon City
7. **Office of the President**
Philippine Chamber of Commerce and Industry (PCCI)
3rd Floor, ECC Building, Sen. Gil Puyat Avenue
Makati City
8. **Office of the Municipal Mayor**
Getafe, Bohol
9. **Office of the Municipal Mayor**
Talibon, Bohol
10. **Office of the Municipal Mayor**
Bien Unido, Bohol
11. **Office of the Municipal Mayor**
Buenavista, Bohol
12. **Office of the Municipal Mayor**
Trinidad, Bohol
13. **Office of the Municipal Mayor**
Danao, Bohol
14. **Office of the Municipal Mayor**
San Miguel, Bohol
15. **Office of the Municipal Mayor**
Ubay, Bohol

16. **Office of the Municipal Mayor**
Pres. Carlos P. Garcia (Pitogo), Bohol
17. **Office of the Municipal Mayor**
Dagohoy, Bohol
18. **Office of the Municipal Mayor**
Pilar, Bohol
19. **Office of the Municipal Mayor**
Alicia, Bohol
20. **Office of the Municipal Mayor**
Mabini, Bohol
21. **Office of the Municipal Mayor**
Sierra Bullones, Bohol
22. **Office of the Municipal Mayor**
Guiindulman, Bohol
23. **Office of the Municipal Mayor**
Candijay, Bohol
24. **Office of the Municipal Mayor**
Anda, Bohol
25. **Office of the Municipal Mayor**
Duero, Bohol
26. **Office of the Municipal Mayor**
Jagna, Bohol
27. **Office of the Municipal Mayor**
Garcia Hernandez, Bohol
28. **Office of the Municipal Mayor**
Valencia, Bohol
29. **Office of the Governor**
Province of Bohol