

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



**IN THE MATTER OF  
THE APPLICATION FOR  
CONFIRMATION AND  
APPROVAL OF  
CALCULATIONS OF  
OVER/UNDER RECOVERIES  
IN THE IMPLEMENTATION  
OF AUTOMATIC COST  
ADJUSTMENTS AND TRUE-  
UP MECHANISMS FOR THE  
PERIOD 2011 TO 2013,  
PURSUANT TO ERC  
RESOLUTION NO. 16, SERIES  
OF 2009 AS AMENDED BY  
RESOLUTION NO. 21, SERIES  
OF 2010 AND ERC  
RESOLUTION 23, SERIES OF  
2010**

**ERC CASE NO. 2014-010 CF**

**SORSOGON II ELECTRIC  
COOPERATIVE, INC.  
(SORECO II),**

**Applicant.**

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**DOCKETED**  
**Date: SEP 22 2016**  
**By: [Signature]**

**ORDER**

On 20 March 2014, the Sorsogon II Electric Cooperative, Inc. (SORECO II) filed an Application for Confirmation and Approval of its Calculations of Over/Under Recoveries in the Implementation of Automatic Cost Adjustments and True Up Mechanisms for the Period 2011 to 2013, pursuant to the Commission's Resolution No. 16<sup>1</sup>, Series of 2009 as amended by Resolution No. 21<sup>2</sup>, Series of 2010 and Resolution No. 23<sup>3</sup>, Series of 2010.

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

<sup>2</sup> Entitled, "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>3</sup> Entitled, "A Resolution Adopting the Rules Implementing the Discounts to Qualified Senior Citizens and End-Users and Subsidy from the Subsidizing End-Users on Electricity Consumption Under Sections 4&5 of Republic Act No. 9994."

On 19 May 2014, the Commission issued an Order and a Notice of Public Hearing setting the application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on 4 June 2014.

On 28 May 2014, SORECO II filed an *Urgent Motion to Reset Hearing* dated 27 May 2014 (First Motion) with a prayer for the cancellation and resetting of the 04 June 2014 scheduled hearing of the instant application due to lack of material time to comply with the Commission's publication requirements.

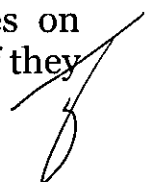
On 12 January 2015, the Commission, finding SORECO II's First Motion meritorious, issued an Order setting the instant application for jurisdictional hearing, expository presentation, pre-trial conference and evidentiary hearing on 10 February 2015.

However, on 06 February 2015, SORECO II filed another *Urgent Motion to Reset Hearing* dated the same (Second Motion) with a prayer for the cancellation and resetting of the 10 February 2015 scheduled hearing due to the resignation of its key personnel who would testify in the said hearing, and its difficulty to acquire the Certificates of Posting from the concerned Local Government Units (LGUs) which are defiant to issue the same.

Finding the said Second Motion meritorious, the same is hereby **GRANTED**. Accordingly, the Commission hereby sets the instant Application for jurisdictional hearing, expository presentation, pre-trial conference, and evidentiary hearing on **11 October 2016 (Tuesday) at two o'clock in the afternoon (2:00 P.M.) at the ERC Hearing Room, 15<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

SORECO 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.

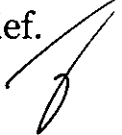
Likewise, let copies of this Order and the attached Notice of Public Hearing be furnished the Offices of the Governor, the Mayors of the respective cities or municipalities, and the Local Government Unit (LGU) Legislative Bodies within the franchise area of SORECO II for the appropriate posting thereof on their bulletin boards.

SORECO II is 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, SORECO II must submit to the Commission its written Compliance with the jurisdictional requirements attaching therewith, methodically arranged and duly marked, the pieces of evidence on the actual posting and publication of the Notice of Public Hearing consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors, and LGU Legislative Bodies, 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.

SORECO 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 thereof; 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 SORECO II to submit the required Pre-trial Brief and Judicial Affidavits of its witnesses within the prescribed period shall be a ground for the 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, SORECO 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, 02 September 2016.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

**JOSE VICENTE B. SALAZAR**  
*Chairman and CEO*

**ERC**  
*Office of the Chairman*



I-2016-021-OC-04946

**Copy Furnished:**

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*Counsel for SORECO II*  
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2. **Sorsogon II Electric Cooperative, Inc. (SORECO II)**  
Brgy. Buhatan, Sorsogon City
3. **Office of the Solicitor General**  
134 Amorsolo Street, Legaspi Village, Makati City  
Metro Manila
4. **Commission on Audit**  
Don Mariano Marcos Avenue  
Diliman, Quezon City, Metro Manila
5. **Senate Committee on Energy**  
Senate of the Philippines  
GSIS Building, Roxas Blvd., Pasay City, Metro Manila
6. **House Committee on Energy**  
House of Representatives  
Batasan Hills, Quezon City, Metro Manila
7. **Office of the President of PCCI**  
**Philippine Chamber of Commerce and Industry (PCCI)**  
3<sup>rd</sup> Floor, Chamber and Industry Plaza (CIP)  
1030 Campus Avenue corner Park Avenue  
McKinley Town Center, Fort Bonifacio, Taguig City
8. **Office of the Provincial Governor**  
Province of Sorsogon
9. **Office of the City Mayor**  
East, West and Bacon Districts, Sorsogon
10. **Office of the Municipal Mayor**  
Barcelona, Sorsogon
11. **Office of the Municipal Mayor**  
Castilla, Sorsogon
12. **Office of the Municipal Mayor**  
Donsol, Sorsogon
13. **Office of the Municipal Mayor**  
Gubat, Sorsogon
14. **Office of the Municipal Mayor**  
Pilar, Sorsogon



15. **Office of the Municipal Mayor**  
Prieto Diaz, Sorsogon
16. **Office of the Sangguniang Panglungsod**  
East, West and Bacon Districts, Sorsogon
17. **Office of the Sangguniang Bayan**  
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18. **Office of the Sangguniang Bayan**  
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19. **Office of the Sangguniang Bayan**  
Donsol, Sorsogon
20. **Office of the Sangguniang Bayan**  
Gubat, Sorsogon
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23. **Investigation and Enforcement Division**  
Energy Regulatory Commission  
17th Floor, Pacific Center, San Miguel Avenue, Pasig City

