

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
OR UNDER-RECOVERIES
IN THE IMPLEMENTATION
OF AUTOMATIC COST
ADJUSTMENTS AND TRUE-
UP MECHANISMS FOR THE
PERIOD 2017 TO 2019,
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. 2020-057 CF

**TICAO ISLAND ELECTRIC
COOPERATIVE, INC.
(TISELCO),**

Applicant.

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Promulgated:

June 29, 2021

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 14 April 2021, Ticao Island Electric Cooperative, Inc. (TISELCO), filed an *Amended Application* dated 08 April 2021 (Application), seeking the Commission's approval of calculations of over or under-recoveries in the implementation of automatic cost adjustments and true-up mechanisms for the period 2017 to 2019, 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.

During the hearing held on 23 March 2021, the Commission noticed some discrepancies found in the *Application* vis-à-vis the submitted revised computation. In the *Application*, Applicant proposed the amount of Seven Million Nine Hundred Seventy Nine Thousand Three Hundred Twenty Five Pesos and 15/100 (Php7,979,325.15), however, based on the submitted revised computation, it yielded the amount of Five Million Seven Hundred Ninety One Thousand Eight Hundred Eight Pesos and 6/100 Php (5,791,898.06). On this regard, the Commission gave Applicant ample time to reconcile the figures proposed in the *Application* and in the submitted revised computation, on the next scheduled hearing on 30 March 2021.

During the hearing held on 30 March 2021, Applicant manifested its inability to substantiate the proposed amount in the *Application* and that the new figures found in the submitted revised computation is the correct proposed amount. It likewise manifested its willingness to file an amended application, if warranted. Hence, the Commission directed Applicant to file an amended application reflecting the correct amount as supported by documents.

On 14 April 2021, TISELCO filed an *Amended Application* with *Urgent Motion to withdraw previously filed URR Application with Motion for extension of time (Motion)* dated 08 April 2021.

Finding the said *Motion* in order, the Commission hereby grants Applicant's prayer and hereby CANCELS the previous settings; and ISSUES this *Order and Notice of Virtual Hearing*, with the pertinent portions of the said *Amended Application* hereunder quoted as follows:

COMES NOW, applicant TICAO ISLAND ELECTRIC COOPERATIVE, INC.(TISELCO), by and through the undersigned counsel, and unto this Honorable Commission, most respectfully states:

1. That applicant is an electric cooperative duly organized and existing under and by virtue of the laws of the Philippines, with the principal office at Barsaga Street, San Jacinto, Masbate, where it may be served with summons and other legal processes, represented in this instance by its General Manager, Ricardo P. Largo, of legal age, Filipino, married and with office address also located at Barsaga Street, District 4, San Jacinto, Masbate;
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 (4) municipalities, namely

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the municipalities of San Jacinto, San Fernando, Monreal and Batuan all in the province of Masbate;

3. That pursuant to ERC Resolution No. 16 Series of 2009 and ERC Resolution No. 21, Series of 2010, Luzon Distribution Utilities (DUs) and Electric Cooperatives (ECs) are required to file their respective consolidated application for the approval of their confirmation filing on the Calculation of the Over or Under recovery in the implementation of various adjustment calculations covering the period from November 2017 to December 2019, as follows:
 - a. Power Supplier Data Sheet;
 - b. Statistical data Sheet;
 - c. Implemented Rates Data Sheet;
 - d. Power Bills of Power Suppliers;
 - e. Officials Receipts issued by Power Suppliers;
 - f. Breakdown of Payment with OR., if payment is staggered;
 - g. Debit/Credit Memo of Power Suppliers;
 - h. NPC Invoices;
 - i. MFSR (Sections B and E)
 - j. Consumer Bills of Lifeliners per level and Non-lifeliners per customer class;

4. That in applying the 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 S. 2010 together with the specific definitions and sub-formula for each item thereof;

5. That in support of this application, applicant has hereby submitted and attached to this application the other requirements, as follows:

	Pass Through Cost (Php)	Actual Revenue (Php)	(Over)/Under Recovery (Php)
Generation Rate (GR)	134,551,648.82	138,194,814.87	(3,643,166.04)
System Loss Rate (SLR)	19,704,699.10	21,993,087.39	(2,288,388.28)
	Subsidy (Php)	Discount(Php)	
Lifeline Rate (LR)	2,587,769.75	2,745,137.95	157,368.20
Senior Citizen Subsidy	103,642.02	85,930.09	(17,711.93)
Net Results			(5,791,898.06)

PRAYER

WHEREFORE, premises considered, it is respectfully prayed of this Honorable Commission that the submitted calculations and computations prepared by applicant be approved; That upon receipt of the Order of approval, herein applicant be allowed to refund/recovery as the case may be;

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Other relief/s just and equitable in the premises are likewise prayed for.

The Commission hereby sets the instant *Amended 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 and Time	Platform	Activity
22 July 2021 (Thursday) at nine o'clock in the morning (9:00 A.M.)	Microsoft Teams	Determination of compliance with the jurisdictional requirements and Expository presentation
29 July 2021 (Thursday) at nine o'clock in the morning (9:00 A.M.)	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, all 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

¹ Entitled: 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.

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
- 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 likewise 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 hearing 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 hearing.

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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 15th day of June 2021 in Pasig City.


AGNES VST DEVANADERA
Chairperson and CEO


LS: EDR/BJVG/CLB/MCCG

