

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




**IN THE MATTER OF THE APPLICATION FOR APPROVAL OF OVER/UNDER RECOVERIES BASED ON THE FORMULA ON THE VARIOUS AUTOMATIC COST ADJUSTMENTS AND TRUE-UP MECHANISMS AND CORRESPONDING CONFIRMATION PROCESS, 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,**

**ERC Case No. 2017-040 CF**

**FIRST LAGUNA ELECTRIC COOPERATIVE, INC. (FLECO),**

**Applicant.**

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RECEIVED  
Date: APR 25 2018  
By: 

**NOTICE OF PUBLIC HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 31 March 2017, First Laguna Electric Cooperative, Inc. (FLECO) filed an *Application* dated 20 March 2017 (Application) for the confirmation and approval of the calculation of its over or under recoveries in the implementation of automatic cost adjustment and true-up mechanisms covering the period 2014 to 2016.

In its *Application*, FLECO alleged the following:

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1. FLECO is an electric cooperative duly recognized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Brgy. Lewin, Lumban, Laguna, Zip Code – 4014, where it may be served with summons and other legal processes, represented in this instance by its Board President, EFREN D. MAGRACIA, of legal age, Filipino and with office address also at FLECO, Inc. Main Office;
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 eleven (11) municipalities of Laguna, namely, Cavinti, Pagsanjan, Lumban, Kalayaan, Paete, Pakil, Pangil, Siniloan, Famy, Mabitac and Sta. Maria;
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 (Filing) thereof, all Luzon Distribution Utilities (DU's) shall file their respective consolidated applications, on or before March 31, 2017, for the (over)/under recoveries on their implementation of various automatic cost adjustment and true-up mechanisms;
4. For purposes of compliance with the said ERC Resolution No. 16, as amended, and ERC Resolution No. 23, herein applicant adopted the formulae on Generation rate, Transmission Rate, System Loss Rate, Lifeline Subsidy Rate and Senior Citizen Subsidy rate, together with the specific definitions and sub-formulae for each item thereof;
5. Applicant FLECO hereby submits its proposed application for approval of automatic cost adjustment and true-up mechanisms and corresponding confirmation process pursuant to the aforesaid resolutions, as Annex "A" and form as part and parcel of this application;
6. 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:
  - a. Power Supply Data Sheet;
  - b. Statistical Data Sheet;
  - c. Implemented Rates;
  - d. Power Bills of Power Suppliers;
  - e. Official Receipts issued by Power Suppliers;
  - f. Debit/Credit Memo of Power Suppliers;
  - g. TRANSCO/NGCP Invoices;
  - h. Official Receipts issued by TRANSCO/NGCP;
  - i. Debit/Credit Memo of TRANSCO/NGCP;
  - j. DU/MO<sub>1</sub> and DU-MO<sub>2</sub>, MFSR;
  - k. Consumer bills of Lifeliners (per level) and Non-Lifeliners per customers class;
  - l. URR Computation of Generation Rate;

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- m. URR Computation of Transmission Rate;
- n. URR Computation of System Loss Rate;
- o. URR Computation of Lifeline Rate;
- p. URR Computation of Senior Citizen Subsidy Rate;
- q. Computation of (Over)/Under Recoveries;
- r. Summary of (Over)/Under Recoveries; and
- s. Summary of Implementation of approved other charges.

7. The summary of Pass True-Cost vis-à-vis, the actual collection for Generation, Transmission, System Loss, Lifeline and Senior Citizen Subsidy Rate are as follows, to wit:

<b>PARTICULARS</b>	<b>PASS TRUE COST</b>	<b>ACTUAL BILLINGS</b>	<b>(OVER)/UNDER RECOVERIES</b>
GENERATION	1,174,387,466.51	1,190,553,167.17	(16,165,700.66)
TRANSMISSION	260,607,799.29	261,225,856.16	(618,056.87)
SYSTEM LOSS	204,877,671.52	205,047,044.00	(169,372.48)
LIFELINE	9,617,056.11	9,847,962.45	(230,906.34)
SENIOR CITIZENS	226,459.32	407,165.45	(180,706.13)
<b>GRAND TOTAL</b>	<b>1,649,716,452.75</b>	<b>1,667,081,195.23</b>	<b>(17,364,742.48)</b>

**PRAYER**

**WHEREFORE**, foregoing premises considered, applicant First Laguna Electric Cooperative, Inc. (FLECO) respectfully prays on this Honorable Commission that, after due notice and hearing and consideration, this application be approved and, upon approval thereof, the application be directed to submit the scheme on how to implement the said approval.

Other relief just and equitable, its likewise prayed for.

The Commission has set the *Application* for determination of compliance with jurisdictional requirements, expository presentation, Pre-Trial Conference, and presentation of evidence on **22 May 2018 (Tuesday) at ten o'clock in the morning (10:00 A.M.) at the ERC Hearing Room, 15<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

All persons who have interest in the subject matter of the instant case may become a party by filing with the Commission a verified Petition to Intervene at least five (5) days prior to the initial hearing and subject to the requirements under Rule 9 of the 2006

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Rules of Practice and Procedure, indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name and 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.

All other persons who may want their views known to the Commission with respect to the subject matter of the case may file their Opposition or Comment thereon at any stage of the proceeding before Applicant rests its case, subject to the requirements under Rule 9 of the 2006 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 and address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All such persons who wish to have a copy of the *Application* may request from Applicant that they be furnished with the same, prior to the date of the initial hearing. Applicants are hereby directed to furnish all those making such request with copies of the *Application* and its attachments, subject to the reimbursement of reasonable photocopying costs. Any such person may likewise examine the *Application* and other pertinent records filed with the Commission during the standard office hours.

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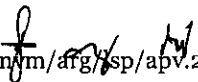
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**WITNESS**, the Honorable Chairperson and CEO **AGNES VST DEVANADERA**, and the Honorable Commissioners **ALFREDO J. NON**, **GLORIA VICTORIA C. YAP-TARUC** and **GERONIMO D. STA. ANA**, Energy Regulatory Commission, this 16<sup>th</sup> day of April 2018 at Pasig City.

  
**JOSEFINA PATRICIA A. MAGPALE-ASIRIT**  
*Oversight Commissioner for Legal*

  
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