

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



IN THE MATTER OF THE APPLICATION FOR APPROVAL OF THE BUSINESS AND FRANCHISE TAX PAYMENTS RECOVERIES BASED ON THE FORMULA FOR THE VARIOUS AUTOMATIC COST ADJUSTMENTS AND TRUE-UP MECHANISMS AND CORRESPONDING CONFIRMATION PROCESS PURSUANT TO ERC RESOLUTION NO. 16, SERIES OF 2009 AND RESOLUTION NO. 21, SERIES OF 2010 OVER ALL TARIFF WITH PRAYER FOR PROVISIONAL AUTHORITY

ERC CASE NO. 2018-001 CF

MARINDUQUE ELECTRIC COOPERATIVE, INC. (MARELCO),

Applicant.

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D O C K E T E D
Date: APR 17 2018
By: W

NOTICE OF PUBLIC HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 15 March 2018, an *Application* dated 19 February 2018 was filed by applicant Marinduque Electric Cooperative, Inc. (MARELCO) seeking the Commission's approval of its business and franchise tax payments recoveries based on the formula for the various Automatic Cost Adjustments and True-up Mechanisms and corresponding confirmation process, pursuant to ERC Resolution No. 16, Series of 2009 and ERC Resolution No. 21, Series of 2010 over-all tariff, with prayer for the issuance of provisional authority.

MARELCO alleged the following in its *Application*:

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 Ihatub, Boac, Marinduque, where it may be served with summons and other legal processes, represented in this instance by its General Manager, Engr. Gaudencio M. Sol Jr., of legal age, Filipino, married and with office address also located at Ihatub, Boac, Marinduque;
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 six (6) municipalities, namely the municipalities of Boac, Buenavista, Gasan, Mogpog, Sta. Cruz and Torrijos all in the province of Marinduque;
3. That pursuant to ERC Resolution No. 16 Series of 2009 Electric Cooperatives (ECs) are required to file their respective application for the approval of their confirmation filing on the recovery of Franchise and Business taxes paid to the Local Government Units covering the period from 2002 to December 2017;
4. That in connection with the said filing of the application, herein applicant MARELCO submits the various supporting documents, as follows:
 - a. Summary of Franchise Tax computation for the entire period
 - b. Proposed Rate and Period of Recovery on Franchise Tax
 - c. Prior year's tax assessment/s issued by the LGU
 - d. Provincial Tax Ordinance
 - e. Board Resolution authorizing the filing of applications
 - f. Official Receipts of Payments
 - g. Summary of Payments
 - h. Actual Distribution Revenues
 - i. Breakdown of Gross sales/receipts
5. That in applying the various formulae in the determination of the proposed Tax Recovery Charges for Franchise and Business Taxes paid by the applicant, herein applicant hereby adopts the respective formula as provided for in ERC Resolution No. 16 Series of 2009 in accordance with the specific definitions and sub-formula for each item thereof;

PRAYER

WHEREFORE, premises considered, it is respectfully prayed of this Honorable Commission that the submitted calculations and computations prepared by applicant be approved; Upon receipt of the Order of approval, herein applicant be allowed to propose the scheme of refund/recovery also for the period of three (3) years, or as may be approved by this Hon. Commission;

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

The Commission has set the *Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **28 May 2018 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.**

All persons who have an 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 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 it be furnished with the same, prior to the date of the initial hearing. Applicant is 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 hour

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 6th day of April 2018 in Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Oversight Commissioner for Legal


LS: SLAN/KTB/APV