



# OFFICIAL RECEIPT

Republic of the Philippines  
**Province of Cagayan**  
**OFFICE OF THE TREASURER**



\_\_\_\_\_ Municipality

Accountable Form No. 51  
Revised January, 1992

## ORIGINAL

DATE

06-30-23

NO. **CGYN** 13540208

PAYOR

CABELCO II

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
		₱ 200-
gasting fee		
		₱ 200-

AMOUNT IN WORDS

two hundred pesos only

Received  Cash  
 Treasury Warrant  
 Check  
 Money Order

Received the Amount Stated Above.

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

  
**MILA Q. MALLONGA**  
 Provincial Treasurer  
 Collecting Officer

**Note:** Write the number and date of this receipt on the back of treasury warrant, check or money order received.



# OFFICIAL RECEIPT

Republic of the Philippines  
Province of Cagayan  
OFFICE OF THE TREASURER



Municipality

Accountable Form No. 51  
Revised January, 1992

## ORIGINAL

DATE

06-30-23

NO. **CGYN13538871**

PAYOR

CABELCO II

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT	
		₱	30 -
Doc-Stamp			
		₱	30 -

AMOUNT IN WORDS

thirty pesos only

- Received
- Cash
  - Treasury Warrant
  - Check
  - Money Order

Received the Amount Stated Above.

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

MILA Q. MALLONGA  
Provincial Treasurer

Collecting Officer

Note: Write the number and date of this receipt on the back of treasury warrant, check or money order received.

RECEIVED  
DATE: 06-30-2023  
BY: [Signature]  
OFFICE OF THE GOVERNOR

June 26, 2023

**HON. MANUEL N. MAMBA**  
Provincial Governor  
Province of Cagayan

**Subject: ERC CASE NO. 2023 – 030 CF: In the Matter of the Application for Confirmation of True-Up Calculations of Automatic Cost Adjustments Implemented for the Billing Period from January 2020 to December 2022**

**Dear Gov. Mamba:**

Greetings!


In compliance with the directives of the Energy Regulatory Commission (ERC) in connection with the above application, we are furnishing this Honorable Office the following:

- a. ERC Order on Case No. 2023 – 030 CF, Promulgated May 26, 2023
- b. ERC Notice of Virtual Hearing dated May 26, 2023

Likewise, in compliance with the directives of the ERC may we request that the said ORDER and Notice be posted at the Bulletin Board of the Provincial Hall and thereafter, a **Certification** (Please see attached suggested format) bearing the **Dry Seal** of your Office be issued as proof of posting.

Thank you and best regards.

Very truly yours,

  
**ENGR. RUDOLPH Q. ADVIENTO**  
 OIC, General Manager

RECEIVED  
 OFFICE OF THE GOVERNOR  
 DATE: 6/30/23  
 TIME: 12:35  
 BY: [Signature]

0926-731-4261



Republic of the Philippines

**ENERGY  
REGULATORY  
COMMISSION**

OGCS-N-02/0442-2023

## NOTICE

Sirs/Mesdames:

Please take notice that on **26 May 2023**, the Commission issued an **Order** and a **Notice of Virtual Hearing** in the following case, the original documents were received by this Office on 02 June 2023:

**ERC CASE NO. 2023-030 CF, IN THE MATTER OF THE APPLICATION FOR CONFIRMATION OF TRUE-UP CALCULATIONS OF AUTOMATIC COST ADJUSTMENTS IMPLEMENTED FOR THE BILLING PERIOD FROM JANUARY 2020 TO DECEMBER 2022 – CAGAYAN II ELECTRIC COOPERATIVE, INC. (CAGELCO II), Applicant.**

Attached are electronic copies.

Please be reminded of the Commission's existing rules on electronic service of orders and decisions provided under **Rule VI of Resolution No. 9, Series of 2020**<sup>1</sup>, which became effective on 17 November 2020.

Thank you.

Very truly yours,

**MARIA LUCILA M. GIRON**  
*Administrative Officer V*  
*OGCS-Central Records Division*

/jdc

<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City

**IN THE MATTER OF THE  
APPLICATION FOR  
CONFIRMATION OF TRUE-  
UP CALCULATIONS OF  
AUTOMATIC COST  
ADJUSTMENTS  
IMPLEMENTED FOR THE  
BILLING PERIOD FROM  
JANUARY 2020 TO  
DECEMBER 2022**

**ERC CASE NO. 2023-030 CF**

**CAGAYAN II ELECTRIC  
COOPERATIVE, INC.  
(CAGELCO II)**

*Applicant.*

**Promulgated:  
May 26, 2023**

X-----X

**ORDER**

On 17 May 2023, Cagayan II Electric Cooperative, Inc. (CAGELCO II) filed an *Application* dated 14 March 2023, seeking the Commission's confirmation of its true-up calculation of automatic cost adjustments implemented for the billing period from January 2020 to December 2022.

The pertinent allegations of the *Application* are hereunder quoted as follows:

1. Applicant CAGELCO II is an electric cooperative duly organized and existing under Philippine law, with principal office address at Macanaya District, Aparri, Cagayan; franchised to construct, own, operate and maintain an electric distribution system in Abulug, Allacapan, Aparri, Ballesteros, Buguey, Camalaniugan, Claveria, Gattaran, Lal-lo, Lasam, Gonzaga, Pamplona, Sanchez Mira, Sta. Ana, Sta. Praxedes, Sta. Teresita, in the Province of Cagayan; Flora, Luna, Pudtol, and Sta. Marcela, in the Province of Apayao; represented by its OIC, General Manager, Rudolph Q. Adviento.
2. CAGELCO II seek confirmation of its true-up calculation of automatic cost adjustments implemented for the billing

**ERC CASE NO. 2023-030 CF**  
**ORDER/ 26 MAY 2023**  
**PAGE 2 OF 11**

periods from January 2020 to December 2022, a summary of which is shown below:

Particulars	Allowable Cost	Revenue	(Over)/Under Recovery (PhP)
	(PhP)	(PhP)	
Generation Rate (GR)	3,363,432,742.93	3,331,609,611.59	31,823,131.34
Transmission Rate (TR)	530,855,610.70	540,989,793.82	(10,134,183.12)
System Loss Rate (SLR)	435,889,063.83	437,772,607.77	(1,883,543.94)
Lifeline Subsidy	9,431,519.66	9,709,353.79	(277,834.13)
Senior Citizen Subsidy	1,773,932.96	1,785,138.34	(11,205.38)
Local Franchise Tax	3,218,490.94	3,237,795.77	(19,304.83)
Business Tax	669,571.83	0.00	669,571.83
Real Property Tax	12,866,436.82	14,250,116.42	(1,383,679.60)
<b>Net Results</b>			<b>18,782,952.17</b>

3. CAGELCO II proposes to (refund)/recover the (over)/under-recovered amounts under the following scheme:

No.	Particulars	Annualized Data	Unit	# of Months	Current Over/Under Recoveries	Php/kWh	Php/kW	Remarks
1	<b>Generation</b>	194,759,153.80	kWh	36	31,823,131.34	0.00454		Collect
2	<b>Transmission</b>	194,759,153.80			(10,134,183.12)			
	<i>Residential</i>	115,153,037.80	kWh	36	(5,991,923.61)	(0.00145)		Refund
	<i>Low Voltage</i>	45,325,188.50	kWh	36	(2,358,470.71)	(0.00145)		Refund
	<i>High Voltage</i>	9,110.25	kW	36	(1,783,788.80)		(5.43889)	Refund
3	<b>System Loss</b>	194,759,153.80	kWh	12	(1,883,543.94)	(0.00081)		Refund
4	<b>Lifeline</b>	194,759,153.80	kWh	6	(277,834.13)	(0.00024)		Refund
5	<b>Senior Citizen</b>	194,759,153.80	kWh	1	(11,205.38)	(0.00006)		Refund
6	<b>Franchise Tax</b>	194,759,153.80	kWh	1	(19,304.83)	(0.00010)		Refund
7	<b>Business Tax</b>	194,759,153.80	kWh	12	669,571.83	0.00029		Collect
8	<b>RPT</b>	194,759,153.80	kWh	12	(1,383,679.60)	(0.00059)		Refund
<b>Grand Total</b>					<b>18,782,952.17</b>			

Note: Assumed billing determinant - 2022 Sales

4. CAGELCO II attaches the following documents in support of this application:

1| OVER/UNDER DATA SHEET

- A. SUPP. & TRANS DATA SHEET
- B. STATISTICAL DATA SHEET
- C. ACTUAL IMPLEMENTED RATES SHEET
- D. LIFELINE DISCOUNT SHEET
- E. SENIOR CITIZEN SHEET
- F. ADDITIONAL STATISTICAL DATA SHEET
- G. LOCAL TAXES

2| SUPPLIER AND TRANSMISSION DATA

- H. GNPower MARIVELES COAL PLANT LTD. Co.
- I. SN-Aboitiz POWER MAGAT, INC.
- J. PHILIPPINE ELECTRICITY MARKET CORPORATION
- K. NATIONAL GRID CORPORATION OF THE PHILIPPINES

3| STATISTICAL DATA

- L. SUMMARY OF PILFERAGE COST RECOVERIES
- M. REPORTS ON THE IMPLEMENTED ORDERS
- N. MFSR – SECTIONS A & E
- O. DEMAND (kW) SALES SUMMARY REPORT

4| ACTUAL IMPLEMENTED RATES DATA

P. SAMPLE BILLS

- P1 | RESIDENTIAL
- P2 | LOW VOLTAGE
- P3 | HIGHER VOLTAGE
- P4 | LIFELINE CONSUMERS
- P5 | SENIOR CITIZEN CONSUMERS

5| OTHER DOCUMENTS

- Q. SUBMITTED MONTHLY URR
- R. SINGLE LINE DIAGRAM
- S. POWER SUPPLY CONTRACTS

T. Computation Over/Under Recoveries

- T1 | Computation of Over/Under Recovery – GOUR
- T2 | Computation of Over/Under Recovery – TOUR
- T3 | Computation of Over/Under Recovery – SLOUR
- T4 | Computation of Over/Under Recovery – LSOUR
- T5 | Computation of Over/Under Recovery – SCDSOUR
- T6 | Computation of Over/Under Recovery – LFTOUR
- T6 | Computation of Over/Under Recovery – BTOUR
- T7 | Computation of Over/Under Recovery – RPTOUR
- T8 | PROPOSED RECOVERY SCHEME

PRAYER

WHEREFORE, applicant CAGELCO II prays that the Honorable Commission confirm its true-up calculation of automatic pass-through costs implemented for the billing period from January 2020 to December 2022, more particularly described as follows:

**ERC CASE NO. 2023-030 CF**  
**ORDER/ 26 MAY 2023**  
**PAGE 4 OF 11**

Particulars	Allowable Cost	Revenue	(Over)/Under Recovery
	(PhP)	(PhP)	(PhP)
Generation Rate (GR)	3,363,432,742.93	3,331,609,611.59	31,823,131.34
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System Loss Rate (SLR)	435,889,063.83	437,772,607.77	(1,883,543.94)
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Senior Citizen Subsidy	1,773,932.96	1,785,138.34	(11,205.38)
Local Franchise Tax	3,218,490.94	3,237,795.77	(19,304.83)
Business Tax	669,571.83	0.00	669,571.83
Real Property Tax	12,866,436.82	14,250,116.42	(1,383,679.60)
<b>Net Results</b>			<b>18,782,952.17</b>

CAGELCO II further prays for the approval of its proposed (refund)/collect scheme of the (over)/under-recovered amounts accumulated for the billing period from January 2020 to December 2022, more particularly described as follows:

No.	Particulars	Annualized Data	Unit	# of Months	Current Over/Under Recoveries	Php/kWh	Php/kW	Remarks
1	<b>Generation</b>	194,759,153.80	kWh	36	31,823,131.34	0.00454		Collect
2	<b>Transmission</b>	194,759,153.80			(10,134,183.12)			
	<i>Residential</i>	115,153,037.80	kWh	36	(5,991,923.61)	(0.00145)		Refund
	<i>Low Voltage</i>	45,325,188.50	kWh	36	(2,358,470.71)	(0.00145)		Refund
	<i>High Voltage</i>	9,110.25	kW	36	(1,783,788.80)		(5,43889)	Refund
3	<b>System Loss</b>	194,759,153.80	kWh	12	(1,883,543.94)	(0.00081)		Refund
4	<b>Lifeline</b>	194,759,153.80	kWh	6	(277,834.13)	(0.00024)		Refund
5	<b>Senior Citizen</b>	194,759,153.80	kWh	1	(11,205.38)	(0.00006)		Refund
6	<b>Franchise Tax</b>	194,759,153.80	kWh	1	(19,304.83)	(0.00010)		Refund
7	<b>Business Tax</b>	194,759,153.80	kWh	12	669,571.83	0.00029		Collect
8	<b>RPT</b>	194,759,153.80	kWh	12	(1,383,679.60)	(0.00059)		Refund
<b>Grand Total</b>					<b>18,782,952.17</b>			

*Note: Assumed billing determinant - 2022 Sales*

Finally, CAGELCO II pray for such other relief or remedy as may be just and equitable under the circumstances.

*(This space is left intentionally blank.)*



Finding the said *Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020<sup>1</sup> and Resolution No. 01, Series of 2021<sup>2</sup> (ERC Revised Rules of Practice and Procedure):

<b>Date</b>	<b>Platform</b>	<b>Activity</b>
<b>17 July 2023</b> (Monday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams or Zoom Application</b>	Determination of compliance with the jurisdictional requirements and expository presentation
<b>24 July 2023</b> (Monday) at two o'clock in the afternoon (2:00 P.M.)		Pre-trial Conference and presentation of evidence

**RELATIVE THERETO**, CAGELCO II is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* once (1x) in a newspaper of nationwide circulation in the Philippines at its own expense, at least ten (10) days before the date of the scheduled initial hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors, and the Local Government Unit (LGU) Legislative Bodies within CAGELCO II's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within CAGELCO II's franchise area, by any other means available and appropriate, of the filing of the *Application*, its reasons therefor, and of the scheduled virtual hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General

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<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>2</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

(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 and attend the scheduled hearings; and

- 5) Furnish with copies of the *Application* and its attachments, except those subject of a motion for confidential treatment of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

**Within five (5) calendar days** prior the date of the virtual hearings, CAGELCO II must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), the scanned copies of its written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of an affidavit of the Editor or Business Manager of the newspaper where the said *Notice of Virtual Hearing* was published, and the complete issue of the said newspaper;
- 2) The evidence of the actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors, and LGU legislative body or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by CAGELCO II to inform the consumers within its franchise area of the filing of the *Application*, its reasons therefor, and of the scheduled hearing thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Application* and its attachments, except those subject of a motion for

confidential treatment of information, if any, by all those making requests therefor; and

- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, CAGELCO II is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publication and certifications issued by the concerned Offices of the Governor, Mayors, and Local Legislative Bodies, and to submit proof of posting thereof.

Applicant CAGELCO II and all interested parties are also required to submit via e-mail at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

Applicant CAGELCO II must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission **at least five (5) calendar days** before the date of the scheduled initial virtual hearing and Pre-trial Conference, pursuant to the preceding paragraph.

Failure of CAGELCO II to comply with the above requirements 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 the said date of cancellation.

Applicant CAGELCO II must also be prepared to make an expository presentation of the instant *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, the nature of the *Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Application* must be cited in support thereof.

Applicant CAGELCO II is hereby directed to file a copy of its Expository Presentation via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** prior to the scheduled virtual hearing. CAGELCO II shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, **at least five (5) calendar days** prior to the scheduled virtual hearing.

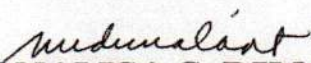

Applicant CAGELCO II is further directed to submit, either through personal service, registered mail or ordinary mail/private courier, one (1) set of the original or certified true hard copies of its Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavits of witnesses, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

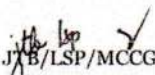
Finally, CAGELCO II, including its authorized representatives and witnesses, are hereby directed to provide the Commission, thru [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

**SO ORDERED.**

Pasig City, 26 May 2023.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**MONALISA C. DIMALANTA**  
Chairperson and CEO 

LS: JTB/LSP/MCCG 



**ERC CASE NO. 2023-030 CF**  
**ORDER/ 26 MAY 2023**  
**PAGE 9 OF 11**

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Copy Furnished:

1. Cagayan II Electric Cooperative, Inc. (CAGELCO II)  
*Applicant*  
Macanaya District, Aparri, Cagayan
2. Atty. Ranulfo M. Ocampo  
*Counsel for CAGELCO II*  
7F STRATA 100 Bldg.  
F. Ortigas Jr. Road, Ortigas Center, Pasig City  
Email address: [ranulfoocampo@outlook.com](mailto:ranulfoocampo@outlook.com)
3. Office of the Solicitor General (OSG)  
134 Amorsolo Street, Legaspi Village, Makati City  
Email address: [docket@osg.gov.ph](mailto:docket@osg.gov.ph)
4. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City  
Email address: [citizensdesk@coa.gov.ph](mailto:citizensdesk@coa.gov.ph)
5. Senate Committee on Energy  
GSIS Building, Roxas Boulevard, Pasay City  
Email address: [senateenergycommittee@gmail.com](mailto:senateenergycommittee@gmail.com)
6. House Committee on Energy  
Batasan Hills, Quezon City  
Email address: [committee.energy@house.gov.ph](mailto:committee.energy@house.gov.ph)
7. Office of the Governor  
Province of Cagayan
8. Office of the Sangguniang Panlalawigan  
Province of Cagayan
9. Office of the Mayor  
Abulug, Cagayan
10. Office of the Sangguniang Bayan  
Abulug, Cagayan
11. Office of the Mayor  
Allacapan, Cagayan
12. Office of the Sangguniang Bayan  
Allacapan, Cagayan
13. Office of the Mayor  
Aparri, Cagayan
14. Office of the Sangguniang Bayan  
Aparri, Cagayan
15. Office of the Mayor  
Ballesteros, Cagayan
16. Office of the Sangguniang Bayan  
Ballesteros, Cagayan
17. Office of the Mayor  
Buguey, Cagayan
18. Office of the Sangguniang Bayan  
Buguey, Cagayan
19. Office of the Mayor  
Camalaniugan, Cagayan

**ERC CASE NO. 2023-030 CF**  
**ORDER/ 26 MAY 2023**  
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20. Office of the Sangguniang Bayan  
Camalaniugan, Cagayan
21. Office of the Mayor  
Claveria, Cagayan
22. Office of the Sangguniang Bayan  
Claveria, Cagayan
23. Office of the Mayor  
Gattaran, Cagayan
24. Office of the Sangguniang Bayan  
Gattaran, Cagayan
25. Office of the Mayor  
Lal-lo, Cagayan
26. Office of the Sangguniang Bayan  
Lal-lo, Cagayan
27. Office of the Mayor  
Lasam, Cagayan
28. Office of the Sangguniang Bayan  
Lasam, Cagayan
29. Office of the Mayor  
Gonzaga, Cagayan
30. Office of the Sangguniang Bayan  
Gonzaga, Cagayan
31. Office of the Mayor  
Pamplona, Cagayan
32. Office of the Sangguniang Bayan  
Pamplona, Cagayan
33. Office of the Mayor  
Sanchez Mira, Cagayan
34. Office of the Sangguniang Bayan  
Sanchez Mira, Cagayan
35. Office of the Mayor  
Sta. Ana, Cagayan
36. Office of the Sangguniang Bayan  
Sta. Ana, Cagayan
37. Office of the Mayor  
Sta. Praxedes, Cagayan
38. Office of the Sangguniang Bayan  
Sta. Praxedes, Cagayan
39. Office of the Mayor  
Sta. Teresita, Cagayan
40. Office of the Sangguniang Bayan  
Sta. Teresita, Cagayan
41. Office of the Mayor  
Flora, Apayao

**ERC CASE NO. 2023-030 CF**  
**ORDER/ 26 MAY 2023**  
**PAGE 11 OF 11**

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42. Office of the Sangguniang Bayan  
Flora, Apayao
43. Office of the Mayor  
Pudtol, Apayao
44. Office of the Sangguniang Bayan  
Pudtol, Apayao
45. Office of the Mayor  
Sta. Marcela, Apayao
46. Office of the Sangguniang Bayan  
Sta. Marcela, Apayao
47. Office of the Governor  
Province of Apayao
48. Office of the Sangguniang Panlalawigan  
Province of Apayao
49. Regulatory Operations Service (ROS)  
Energy Regulatory Commission  
14<sup>th</sup> Floor, Exquadra Tower, 1 Jade Drive,  
Ortigas Center San Antonio, Pasig City

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
Pasig City

**IN THE MATTER OF THE  
APPLICATION FOR  
CONFIRMATION OF TRUE-  
UP CALCULATIONS OF  
AUTOMATIC COST  
ADJUSTMENTS  
IMPLEMENTED FOR THE  
BILLING PERIOD FROM  
JANUARY 2020 TO  
DECEMBER 2022**

**ERC CASE NO. 2023-030 CF**

**CAGAYAN II ELECTRIC  
COOPERATIVE, INC.  
(CAGELCO II)**

*Applicant.*

**Promulgated:**

May 26, 2023

X-----X

**NOTICE OF VIRTUAL HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 17 May 2023, Cagayan II Electric Cooperative, Inc. (CAGELCO II) filed an *Application* dated 14 March 2023, seeking the Commission's confirmation of its true-up calculation of automatic cost adjustments implemented for the billing period from January 2020 to December 2022.

The pertinent allegations of the *Application* are hereunder quoted as follows:

1. Applicant CAGELCO II is an electric cooperative duly organized and existing under Philippine law, with principal office address at Macanaya District, Aparri, Cagayan; franchised to construct, own, operate and maintain an electric distribution system in Abulug, Allacapan, Aparri, Ballesteros, Buguey, Camalaniugan, Claveria, Gattaran, Lal-lo, Lasam, Gonzaga, Pamplona, Sanchez Mira, Sta. Ana, Sta. Praxedes, Sta. Teresita, in the Province of Cagayan; Flora, Luna, Pudtol, and Sta. Marcela, in the Province of Apayao; represented by its OIC, General Manager, Rudolph Q. Adviento.



**ERC CASE NO. 2023-030 CF**  
**NOTICE OF VIRTUAL HEARING/ 26 MAY 2023**  
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2. CAGELCO II seek confirmation of its true-up calculation of automatic cost adjustments implemented for the billing periods from January 2020 to December 2022, a summary of which is shown below:

Particulars	Allowable Cost	Revenue	(Over)/Under Recovery (PhP)
	(PhP)	(PhP)	
Generation Rate (GR)	3,363,432,742.93	3,331,609,611.59	31,823,131.34
Transmission Rate (TR)	530,855,610.70	540,989,793.82	(10,134,183.12)
System Loss Rate (SLR)	435,889,063.83	437,772,607.77	(1,883,543.94)
Lifeline Subsidy	9,431,519.66	9,709,353.79	(277,834.13)
Senior Citizen Subsidy	1,773,932.96	1,785,138.34	(11,205.38)
Local Franchise Tax	3,218,490.94	3,237,795.77	(19,304.83)
Business Tax	669,571.83	0.00	669,571.83
Real Property Tax	12,866,436.82	14,250,116.42	(1,383,679.60)
<b>Net Results</b>			<b>18,782,952.17</b>

3. CAGELCO II proposes to (refund)/recover the (over)/under-recovered amounts under the following scheme:

No.	Particulars	Annualized Data	Unit	# of Months	Current Over/Under Recoveries	Php/kWh	Php/kW	Remarks
1	<b>Generation</b>	194,759,153.80	kWh	36	31,823,131.34	0.00454		Collect
2	<b>Transmission</b>	194,759,153.80			(10,134,183.12)			
	<i>Residential</i>	115,153,037.80	kWh	36	(5,991,923.61)	(0.00145)		Refund
	<i>Low Voltage</i>	45,325,188.50	kWh	36	(2,358,470.71)	(0.00145)		Refund
	<i>High Voltage</i>	9,110.25	kW	36	(1,783,788.80)		(5,43889)	Refund
3	<b>System Loss</b>	194,759,153.80	kWh	12	(1,883,543.94)	(0.00081)		Refund
4	<b>Lifeline</b>	194,759,153.80	kWh	6	(277,834.13)	(0.00024)		Refund
5	<b>Senior Citizen</b>	194,759,153.80	kWh	1	(11,205.38)	(0.00006)		Refund
6	<b>Franchise Tax</b>	194,759,153.80	kWh	1	(19,304.83)	(0.00010)		Refund
7	<b>Business Tax</b>	194,759,153.80	kWh	12	669,571.83	0.00029		Collect
8	<b>RPT</b>	194,759,153.80	kWh	12	(1,383,679.60)	(0.00059)		Refund
<b>Grand Total</b>					<b>18,782,952.17</b>			

Note: Assumed billing determinant - 2022 Sales

4. CAGELCO II attaches the following documents in support of this application:

1| OVER/UNDER DATA SHEET

- A. SUPP. & TRANS DATA SHEET
- B. STATISTICAL DATA SHEET
- C. ACTUAL IMPLEMENTED RATES SHEET
- D. LIFELINE DISCOUNT SHEET
- E. SENIOR CITIZEN SHEET
- F. ADDITIONAL STATISTICAL DATA SHEET
- G. LOCAL TAXES

2| SUPPLIER AND TRANSMISSION DATA

- H. GNPower MARIVELES COAL PLANT LTD. Co.
- I. SN-Aboitiz POWER MAGAT, INC.
- J. PHILIPPINE ELECTRICITY MARKET CORPORATION
- K. NATIONAL GRID CORPORATION OF THE PHILIPPINES

3| STATISTICAL DATA

- L. SUMMARY OF PILFERAGE COST RECOVERIES
- M. REPORTS ON THE IMPLEMENTED ORDERS
- N. MFSR – SECTIONS A & E
- O. DEMAND (kW) SALES SUMMARY REPORT

4| ACTUAL IMPLEMENTED RATES DATA

P. SAMPLE BILLS

- P1 | RESIDENTIAL
- P2 | LOW VOLTAGE
- P3 | HIGHER VOLTAGE
- P4 | LIFELINE CONSUMERS
- P5 | SENIOR CITIZEN CONSUMERS

5| OTHER DOCUMENTS

- Q. SUBMITTED MONTHLY URR
- R. SINGLE LINE DIAGRAM
- S. POWER SUPPLY CONTRACTS

T. Computation Over/Under Recoveries

- T1 | Computation of Over/Under Recovery – GOUR
- T2 | Computation of Over/Under Recovery – TOUR
- T3 | Computation of Over/Under Recovery – SLOUR
- T4 | Computation of Over/Under Recovery – LSOUR
- T5 | Computation of Over/Under Recovery – SCDSOUR
- T6 | Computation of Over/Under Recovery – LFTOUR
- T6 | Computation of Over/Under Recovery – BTOUR
- T7 | Computation of Over/Under Recovery – RPTOUR
- T8 | PROPOSED RECOVERY SCHEME

PRAYER

WHEREFORE, applicant CAGELCO II prays that the Honorable Commission confirm its true-up calculation of automatic pass-through costs implemented for the billing period from January 2020 to December 2022, more particularly described as follows:

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Particulars	Allowable Cost	Revenue	(Over)/Under Recovery
	(PhP)	(PhP)	(PhP)
Generation Rate (GR)	3,363,432,742.93	3,331,609,611.59	31,823,131.34
Transmission Rate (TR)	530,855,610.70	540,989,793.82	(10,134,183.12)
System Loss Rate (SLR)	435,889,063.83	437,772,607.77	(1,883,543.94)
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Local Franchise Tax	3,218,490.94	3,237,795.77	(19,304.83)
Business Tax	669,571.83	0.00	669,571.83
Real Property Tax	12,866,436.82	14,250,116.42	(1,383,679.60)
<b>Net Results</b>			<b>18,782,952.17</b>

CAGELCO II further prays for the approval of its proposed (refund)/collect scheme of the (over)/under-recovered amounts accumulated for the billing period from January 2020 to December 2022, more particularly described as follows:

No.	Particulars	Annualized Data	Unit	# of Months	Current Over/Under Recoveries	Php/kWh	Php/kW	Remarks
1	<b>Generation</b>	194,759,153.80	kWh	36	31,823,131.34	0.00454		Collect
2	<b>Transmission</b>	194,759,153.80			(10,134,183.12)			
	<i>Residential</i>	115,153,037.80	kWh	36	(5,991,923.61)	(0.00145)		Refund
	<i>Low Voltage</i>	45,325,188.50	kWh	36	(2,358,470.71)	(0.00145)		Refund
	<i>High Voltage</i>	9,110.25	kW	36	(1,783,788.80)		(5,43889)	Refund
3	<b>System Loss</b>	194,759,153.80	kWh	12	(1,883,543.94)	(0.00081)		Refund
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5	<b>Senior Citizen</b>	194,759,153.80	kWh	1	(11,205.38)	(0.00006)		Refund
6	<b>Franchise Tax</b>	194,759,153.80	kWh	1	(19,304.83)	(0.00010)		Refund
7	<b>Business Tax</b>	194,759,153.80	kWh	12	669,571.83	0.00029		Collect
8	<b>RPT</b>	194,759,153.80	kWh	12	(1,383,679.60)	(0.00059)		Refund
<b>Grand Total</b>					<b>18,782,952.17</b>			

*Note: Assumed billing determinant – 2022 Sales*

Finally, CAGELCO II pray for such other relief or remedy as may be just and equitable under the circumstances.

*(This space is left intentionally blank.)*

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The Commission hereby sets the instant *Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020<sup>1</sup> and Resolution No. 01, Series of 2021<sup>2</sup> (ERC Revised Rules of Practice and Procedure):

<b>Date</b>	<b>Platform</b>	<b>Activity</b>
<b>17 July 2023</b> (Monday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams or Zoom Application</b>	Determination of compliance with the jurisdictional requirements and expository presentation
<b>24 July 2023</b> (Monday) at two o'clock in the afternoon (2:00 P.M.)		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 initial virtual hearing, via electronic mail (e-mail) at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto: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, any 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](mailto:doCKET@erc.ph), and copy furnishing the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), a verified Petition to Intervene **at least five (5) calendar days** prior to the date of the initial virtual hearing. The verified Petition to Intervene must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicate therein the docket number and title of the case, and state the following:

- 1) The petitioner's name, mailing address, and e-mail address;

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<sup>1</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>2</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

- 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 file through e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), their Opposition or Comment thereon **at least five (5) calendar days** prior to the initial virtual hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. 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.

All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

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](http://www.erc.gov.ph).

Finally, all interested persons may be allowed to join the scheduled initial virtual hearings by providing the Commission, thru [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), 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 hearings.

WITNESS, the Honorable Commissioners **ALEXIS M. LUMBATAN**, **CATHERINE P. MACEDA**, **FLORESINDA G. BALDO-DIGAL**, and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 26<sup>th</sup> day of May 2023 in Pasig City.

*medusalanta*  
**MONALISA C. DIMALANTA**  
Chairperson and CEO

*M*

*JTB LSP*  
LS: JTB/LSP/MCCG

**ERC**

Office of the Chairperson and CEO



\*MCD2023-003463\*