

Republic of the Philippines  
ENERGY REGULATORY COMMISSION  
Pasig City

IN THE MATTER OF THE  
APPLICATION FOR  
CONFIRMATION OF TRUE-  
UP CALCULATIONS OF  
OVER AND UNDER  
RECOVERIES OF PASS-  
THROUGH COST  
ADJUSTMENTS FOR THE  
BILLING PERIOD FROM  
JANUARY 2019 TO  
DECEMBER 2021

ERC CASE NO. 2022-014 CF

ILIGAN LIGHT AND  
POWER, INC. (ILPI),  
*Applicant.*

Promulgated:  
May 02, 2022

X-----X

**ORDER**

On 12 April 2022, Iligan Light and Power, Inc. (ILPI) filed an *Application* dated 22 March 2022, seeking the Commission's confirmation of true-up calculations of over and under recoveries of pass-through cost adjustments for the billing period from January 2019 to December 2021.

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

1. ILPI is a corporation duly organized and existing under Philippine law, with principal office address at Bro. Jeffrey Road, Pala-o, Iligan City; franchised under R.A. No. 8148 to distribute electricity in Iligan City, Province of Lanao del Norte. It is represented here by its President, Mr. Ralph B. Casiño.
2. Applicant ILPI seeks confirmation of its true-up calculations of over and under recoveries of pass-through cost adjustments implemented for the billing period from January 2019 to December 2021 summarized as follows:

TRUE-UP (OVER) AND UNDER RECOVERIES				
PASS-THRU CHARGES	2019	2020	2021	TOTAL
Generation	35,095,937.25	14,302,213.75	73,494,759.79	122,892,910.79
Transmission	(721,549.93)	(1,570,444.26)	4,665,980.58	2,373,986.39
System Loss	7,353,499.17	(3,117,755.91)	7,065,472.80	11,301,216.06
Lifeline Subsidy	(3,111,508.13)	(794,037.11)	317,338.62	(3,588,206.62)
Senior Citizen Subsidy	(3,423.81)	443.91	349.30	(2,630.60)
<b>TOTAL</b>	<b>38,612,954.55</b>	<b>8,820,420.38</b>	<b>85,543,901.09</b>	<b>132,977,276.02</b>

3. ILPI proposes to refund the over-recovered amount and recover the under-recovered amount until the following total amounts have been refunded or recovered accordingly:

PASS-THRU CHARGES	(OVER) UNDER RECOVERIES	(REFUND) RECOVERY PERIOD	FORECAST kWh SALES	RATE ADJUSTMENT	REMARKS
Generation	122,892,910.79	36 Months	684,184,685	0.1796	Recovery
Transmission	2,373,986.39	36 Months	684,184,685	0.0035	Recovery
System Loss	11,301,216.06	36 Months	684,184,685	0.0165	Recovery
Lifeline Subsidy	(3,588,206.62)	36 Months	684,184,685	(0.0052)	Refund
Senior Citizen Subsidy	(2,630.60)	36 Months	684,184,685	(0.00000384)	Refund

4. ILPI submits the following documents in support of this application:

REFERENCE	INFORMATION PROVIDED
Annex A	Application
Annex A1	Application
Annex A2	Supplier and Transmission Data Sheets
Annex A3	Statistical Data Sheets
Annex A4	Actual Implemented Rates Sheets
Annex A5	Lifeline Discount Sheets
Annex A6	Senior Citizen Discount Sheets
Annex A7	Additional Statistical Data Sheets
Annex A8	Summary of (Over) and Under Recoveries Computation
Annex A9	Proposed (Refund) and Recovery Scheme
Annex B	Supplier and Transmission Data
Annex B1	Generation Supplier Bills
Annex B2	Transmission Supplier Bills
Annex C	Statistical Data
Annex C1	Summary of Pilferage Cost Recoveries

Annex C2	Report on the Implemented Orders and Decisions
Annex C3	Distribution Utility Monthly Report
Annex C4	Demand (kW) Sales Summary Report
Annex D	Actual Implemented Rates
Annex D1	Non-Lifeline Consumer Bills
Annex D2	Lifeline Consumer Bills
Annex D3	Senior Citizen Consumer Bills
Annex E	Other Documents
Annex E1	Monthly Uniform Reportorial Requirement (URR)
Annex E2	Monthly URR Addendum
Annex E3	Single Line Diagram
Annex E4	Power Supply Contracts with Generation Companies
Annex E5	Rates Computation

**PRAYER**

WHEREFORE, applicant ILPI prays before this Honorable Commission to issue a Decision as follows:

CONFIRMING applicant ILPI's true-up calculations of its over and under recoveries of pass-through cost adjustments implemented for the billing periods from January 2019 to December 2021 summarized as follows:

<b>TRUE-UP (OVER) AND UNDER RECOVERIES</b>				
<b>PASS-THRU CHARGES</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>Generation</b>	35,095,937.25	14,302,213.75	73,494,759.79	122,892,910.79
<b>Transmission</b>	(721,549.93)	(1,570,444.26)	4,665,980.58	2,373,986.39
<b>System Loss</b>	7,353,499.17	(3,117,755.91)	7,065,472.80	11,301,216.06
<b>Lifeline Subsidy</b>	(3,111,508.13)	(794,037.11)	317,338.62	(3,588,206.62)
<b>Senior Citizen Subsidy</b>	(3,423.81)	443.91	349.30	(2,630.60)
<b>TOTAL</b>	<b>38,612,954.55</b>	<b>8,820,420.38</b>	<b>85,543,901.09</b>	<b>132,977,276.02</b>

Applicant ILPI also pray for the approval of its proposed refund /collect scheme as follows:

PASS-THRU CHARGES	(OVER) UNDER RECOVERIES	(REFUND) RECOVERY PERIOD	FORECAST kWh SALES	RATE ADJUSTMENT	REMARKS
Generation	122,892,910.79	36 Months	684,184,685	0.1796	Recovery
Transmission	2,373,986.39	36 Months	684,184,685	0.0035	Recovery
System Loss	11,301,216.06	36 Months	684,184,685	0.0165	Recovery
Lifeline Subsidy	(3,588,206.62)	36 Months	684,184,685	(0.0052)	Refund
Senior Citizen Subsidy	(2,630.60)	36 Months	684,184,685	(0.00000384)	Refund

Finally, Applicant ILPI prays for such other relief or remedy as may be just and equitable under the circumstances.

Finding the said *Application* to be sufficient in form 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 platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020<sup>1</sup> dated 24 September 2020 and Resolution No. 01, Series of 2021 dated 17 December 2020 (ERC Revised Rules of Practice and Procedure):<sup>2</sup>

Date	Platform	Activity
<b>10 June 2022</b> (Friday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams</b>	Determination of compliance with the jurisdictional requirements and expository presentation
<b>17 June 2022</b> (Friday) at two o'clock in the afternoon (2:00 P.M.)	<b>Microsoft Teams</b>	Pre-trial Conference and presentation of evidence

**RELATIVE THERETO**, ILPI 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, with the date of publication to be made not later than ten (10) days before the date of the scheduled initial hearing;

<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) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governors, the Mayors and the Local Government Unit (LGU) legislative bodies within ILPI's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within the franchise area of ILPI, by any other means available and appropriate, of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, 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 and attend the scheduled hearing; and
- 5) Furnish with copies of the *Application* and its attachments all those making requests therefor, subject to the resolution of the prayer for confidential treatment of information, if any, and reimbursement of reasonable photocopying costs.<sup>3</sup>

Within five (5) calendar days prior to the date of the initial virtual hearing, ILPI must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), 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 therewith, methodically arranged and duly marked, the following:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of 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 actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor,

---

<sup>3</sup> For the e-mail address of the applicant, please see page 9.

Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;

- 3) The evidence of other means employed by ILPI to inform the consumers within the affected 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 by all those making requests therefor, if any; and
- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, ILPI 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 Office of the Mayors, Governor and Local Legislative Bodies, and to submit proof of its posting thereof.

ILPI and all interested parties are also required to submit via e-mail at [docket@erc.ph](mailto:docket@erc.ph), 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.

ILPI 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 ILPI 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.

ILPI 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* with relevant information and pertinent details substantiating the reasons and justifications being cited in support thereof.

ILPI is hereby directed to file a copy of its Expository Presentation via e-mail at [docket@erc.ph](mailto:docket@erc.ph), 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. ILPI 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.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via e-mail at [docket@erc.ph](mailto:docket@erc.ph), 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.

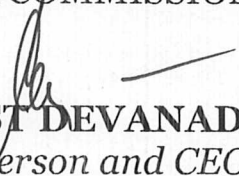
ILPI is hereby directed to submit, either through personal service, registered or ordinary mail/private courier, one (1) set of the original or certified true hard/printed copy/ies of its Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavit/s of witness/es, within 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. Similarly, all interested parties who filed their Petition for Intervention or Opposition are required to submit the hard/printed copy thereof within the same period through any of the available modes of service.

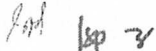
Finally, ILPI, including its authorized representative/s and witness/es, are hereby directed to provide the Commission, thru [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), with their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s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

**SO ORDERED.**

Pasig City, 21 April 2022.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**AGNES VST DEVANADERA**  
*Chairperson and CEO*

  
LS: SQD/LSP/MCCG





**ERC CASE NO. 2022-014 CF**  
**ORDER/ 21 April 2022**  
**PAGE 9 OF 9**

---

Copy Furnished:

1. Iligan Light and Power Inc. (ILPI)  
*Applicant*  
Bro. Jeffrey Road, Pala-o, Iligan City  
Email: [regulatory.iliganlight@gmail.com](mailto:regulatory.iliganlight@gmail.com)
2. Atty. Ranulfo M. Ocampo  
*Counsel for ILPI*  
7/F STRATA 100 Bldg.  
F. Ortigas Jr. Road, Pasig City  
Email: [ranulfoocampo@outlook.com](mailto:ranulfoocampo@outlook.com)
3. Office of the Solicitor General (OSG)  
134 Amorsolo Street, Legaspi Village, Makati City  
[docket@osg.gov.ph](mailto:docket@osg.gov.ph)
4. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City  
[citizensdesk@coa.gov.ph](mailto:citizensdesk@coa.gov.ph)
5. Senate Committee on Energy  
GSIS Building, Roxas Boulevard, Pasay City  
[senateenergycommittee@gmail.com](mailto:senateenergycommittee@gmail.com)
6. House Committee on Energy  
Batasan Hills, Quezon City  
[committee.energy@house.gov.ph](mailto:committee.energy@house.gov.ph)
7. Office of the Governor  
Province of Lanao del Norte
8. Office of the Local Government Unit (LGU) Legislative Body  
Province of Lanao del Norte
9. Office of the City Mayor  
Iligan City, Lanao del Norte
10. Office of the LGU Legislative Body  
Iligan City, Lanao del Norte
11. Regulatory Operations Service  
17<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue,  
Ortigas Center 1600, Pasig City  
Email: [ros@erc.ph](mailto:ros@erc.ph)