

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Exquadra Tower, 1 Jade Drive
Ortigas Center, Pasig City

IN THE MATTER OF THE
APPLICATION FOR
CONFIRMATION AND
APPROVAL OF
GENERATION RATE
OVER/UNDER RECOVERY,
TRANSMISSION RATE
OVER/UNDER RECOVERY
; SYSTEM LOSS RATE
OVER/UNDER RECOVERY;
LIFELINE SUBSIDY
OVER/UNDER RECOVERY;
SENIOR CITIZEN
DISCOUNT AND SUBSIDY
OVER/UNDER RECOVERY,
AND LOCAL TAXES PASS
THRU CHARGES
OVER/UNDER RECOVERY
FROM JANUARY 2023 TO
DECEMBER 2025

ERC CASE NO. 2026-003 CF

April 01, 2026

CAMARINES SUR I
ELECTRIC COOPERATIVE,
INC. (CASURECO I),
Applicant.

x ----- x

APPLICATION

APPLICANT, CAMARINES SUR I ELECTRIC COOPERATIVE, INC. (CASURECO I), through counsel, unto this Honorable Commission, most respectfully alleges, that:

THE APPLICANT

1. CASURECO I is a non-stock, non-profit electric cooperative, duly organized and existing under and by virtue of the laws of the Philippines, with principal office at Puro-Batia, Libmanan, Camarines Sur.

2. CASURECO I is a holder of a franchise from the National Electrification Commission to operate an electric light and power distribution service in the Municipalities of Cabusao, Camaligan, Gainza, Libmanan, Lupi, Pamplona, Pasacao, Ragay, San Fernando, and Sipocot, all in the Province of Camarines Sur.

LEGAL BASES FOR THE APPLICATION

3. ERC Resolution No. 16, Series of 2009 as amended by Resolution No. 21, Series of 2010, establishes the procedure for the automatic recovery or refund of pass-through costs and the confirmation process that would govern the automatic cost adjustment and true-up mechanisms approved by the Honorable Commission, with the objective of ensuring appropriate recovery of the pass-through costs in an efficient manner and to put in place a fair and transparent process for the confirmation of the automatic cost adjustments implemented by distribution utilities and the true-up of other pass-through charges, involving Generation Rate, Transmission Rate, System Loss Rate, and Lifeline Rate Recovery, as the case may be;

4. On the other hand, ERC Resolution No. 23, Series of 2010, adopts the rules implementing the discounts to qualified senior citizen end-users and subsidy from subsidizing end-users on electricity consumption;

5. Further, ERC Resolution No. 02, Series of 2021, provides for the recovery of all just and reasonable costs pertaining to current taxes (real property, local franchise, and business tax) that are levied by local government units within the distribution utilities' franchise area, subject to the post-validation and confirmation process mechanism of the Commission;

6. Finally, ERC Resolution No. 14, Series of 2022, directs the distribution utilities (DUs) to adopt the Revised Rules governing the automatic cost adjustment and true-up mechanisms and corresponding confirmation process for DUs with its revised Uniform Reportorial Requirement (URR) spreadsheet template.

7. Foregoing resolutions further require the distribution utilities to file their respective consolidated applications once every three (3) years.

8. Hence, the filing of the instant application, covering the period of January 2023 to December 2025.

OVER OR UNDER-RECOVERIES OF ALLOWABLE COSTS

9. Applying the formulae provided under Resolution No. 16, Series of 2009 as amended by Resolution No. 21, Series of 2010, Resolution No. 23, Series of 2010, Resolution No. 02, Series of 2021, and ERC Resolution No. 14, Series of 2022, respectively, CASURECO I made calculations of the over-recoveries charged or under-recoveries incurred as against its member-consumer-owners (MCOs), in the implementation of certain automatic cost adjustments and true-up mechanisms, covering the period of January 2023 to December 2025.

10. The results of its calculations are presented hereunder, as follows:

Mechanism	Allowable Cost (PhP)	Revenue (PhP)	(Over)/Under Recovery (PhP)
Generation	1,894,537,810.27	1,887,337,659.13	7,200,151.14
Transmission	325,561,159.41	322,924,452.46	2,636,706.95
System Loss	221,328,162.65	219,058,465.41	2,269,697.24
Lifeline Subsidy/ Discount	5,039,005.28	5,082,106.19	(43,100.91)
Senior Citizen Subsidy/ Discount	239,537.62	216,916.26	22,621.36
Local Franchise Tax	870,529.24	876,012.45	(5,483.21)
Net Result			12,080,592.57

REASONS FOR THE OVER OR UNDER RECOVERIES

11. One Month Lag (Time Difference) - The computation of the monthly pass-through cost rate is based on data derived from the immediately preceding month (i.e. one-month lag), whereas the computation of over/under recoveries utilizes current-month date for the same billing period. This timing difference between the data sets used in the respective computations results in variances that contribute to over/under recovery.

12. Variations in Energy and Demand Sales – Any increase or decrease in energy sales (kWh) and demand sales (kW) during a given billing period materially affects the recovery of pass-through costs, as fluctuations in consumption levels directly impact the amounts recoverable from consumers. Pass-through costs include generation charges, transmission charges, system loss charges and other mandated subsidies and charges such as the Lifeline Rate Subsidy, Senior Citizen Subsidy, and Local Franchise Tax.

SUPPORTING DATA AND DOCUMENTS

13. In support of foregoing calculations, CASURECO I is submitting the following data and documents covering the period of January 2023 to December 2025, attached hereto and made integral parts hereof, as follows:

FOLDER NO.	ANNEX MARKINGS	DESCRIPTION OF DOCUMENTS
Folder 1	Annex A	Supplier/ Generation and Transmission Data Per Year
	Annex B	System Loss and Statistical Data Per Year
	Annex C	Lifeline Discount/Data Per Year
	Annex D	Senior Citizen Discount/Data Per Year
	Annex E	Actual Implemented Rates Per Year
	Annex F	Additional Statistical Data Per Year
	Annex G	Summary of Over/Under-Recoveries Computation
	Annex H	Proposed Refund/Collect Scheme

Folder 2	SUPPLIER AND TRANSMISSION DATA	
	Annex I	Power Bills from Suppliers
Folder 3	STATISTICAL DATA	
	Annex J	Summary of Pilferage Cost Recoveries
	Annex K	Report on the Implemented Orders/Decisions
	Annex L	MFSR – Sections B and E
	Annex M	Demand (kW) Sales Summary Report
Folder 4	ACTUAL IMPLEMENTED RATES DATA	
	Annex N	Consumer Bills per Customer Class (Non-Lifeline)
	Annex O	Consumer Bills per Lifeline Bracket (Lifeline)
	Annex P	Senior Citizen Consumer Bills
Folder 5	OTHER DOCUMENTS	
	Annex Q	Submitted Monthly URR
	Annex R	Submitted Monthly URR Addendum
	Annex S	Explanation for the Delayed Implementation of the Revised Uniform Reportorial Requirement (URR) Spreadsheet Template for January to July 2023
	Annex T	Single Line Diagram
	Annex U	Power Supply Contracts with Generation Companies
Folder 6	LOCAL FRANCHISE, BUSINESS, AND REAL PROPERTY TAXES	
	Annex V and Series	Local Franchise Tax (LFT) a) Local Tax Ordinance; Tax Declarations; Tax Assessments; Statements of Account; Official Receipts; Appendix B

	Annex W	Consumer Bills per LGU
	Annex X	Explanation for the Non-Implementation of Real Property Tax, Business Tax (2023-2025), and Local Franchise Tax (2023 and 2025), except for the period February 2024 to December 2024
	Annex Y	Computation on how the implemented pass-through taxes were derived

14. Further, in compliance with the pre-filing requirements under the Revised ERC Rules of Practice and Procedure, herein applicant is submitting the following documents to form integral parts hereof, as follows, to wit:

ANNEX MARKINGS	DESCRIPTION OF THE DOCUMENTS
Annex Z and series	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Bayan of Libmanan and Governor and Sangguniang Panlalawigan of Camarines Sur.
Annex AA and series	Proof of publication of the undocketed Application in a newspaper of general circulation covering the franchise area of CASURECO I or where it principally operates

15. Considering the foregoing, it is respectfully prayed that CASURECO I's calculations of over or under-recoveries in the implementation of subject automatic cost adjustments and true-up mechanisms be confirmed and approved, and the cooperative be allowed to refund the over-recoveries or collect the under-recoveries, as the case may be, to or from its member-consumer-owners.

PRAYER

WHEREFORE, premises considered, Applicant Camarines Sur I Electric Cooperative, Inc. (CASURECO I), respectfully prays of this

Honorable Commission, after due notice and hearing, to confirm and approve its calculations of over or under-recoveries in the implementation of subject automatic cost adjustments and true-up mechanisms covering the period of January 2023 to December 2025, and allow the cooperative to refund the over-recoveries or collect the under-recoveries, as the case maybe, to or from its member-consumer-owners, based on the following refund/collect scheme, to wit:

Mechanism	(Over)/Under-Recovery (PhP)	Rate per kWh (Php/kWh)	Proposed Term of Refund /Collect per month
Generation Rate	7,200,151.14	0.0521	12
Transmission Rate	2,636,706.95	0.0191	12
System Loss Rate	2,269,697.24	0.0164	12
Lifeline Subsidy/ Discount Rate	(43,100.91)	(0.0044)	1
Senior Citizen Subsidy/ Discount Rate	22,621.36	0.0023	1
Local Franchise Tax Recovery Rate	(5,483.21)	(0.00004)	1
TOTAL	12,080,592.57		

Other kinds of relief, just and equitable in the premises, are likewise prayed for.

Pasig City, Metro Manila, 18 March 2026.

(Signature Page follows.)

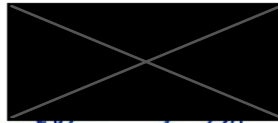
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LAW OFFICES¹**

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¹Pursuant to Office of the Court Administrator Circular No. 56-2015, hereunder are the MCLE Compliance Numbers of the undersigned Firm's named partners, to wit:

Partners	MCLE Compliance	Validity
Joseph Ferdinand M. Dechavez	MCLE Exemption Certificate No. VIII-Acad004390	14 April 2028
Ditas A. Lerios-Amboy	MCLE Compliance No. VIII-0042308	14 April 2028
Nelson V. Evangelista	MCLE Compliance No. VIII-0041847	14 April 2028

VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING

I, Edna M. Valerio, of legal age, Filipino and with office address at the Camarines Sur I Electric Cooperative, Inc. (CASURECO I) at Puro-Batia, Libmanan, Camarines Sur, after being sworn to according to law, depose and state that:

1. I am the General Manager and authorized representative of the Camarines Sur I Electric Cooperative, Inc. (CASURECO I) in the instant application, as evidenced by the Board Resolution attached hereto;

2. I have caused the preparation of the instant Application and read the contents thereof, and I attest that the allegations therein are true and correct based on my personal knowledge as well as based on authentic documents; I also attest that the Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

3. I attest further that the factual allegations in the Application have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;

4. I attest furthermore that CASURECO I has not commenced or filed any claim involving the same issues herein with any other Court, Tribunal or Quasi-Judicial Agency or, I am not aware of any such other case or claim pending before any other court, tribunal or quasi-judicial agency; and

5. Should I hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency, the cooperative shall report said fact within five (5) days from discovery thereof to this Honorable Commission.


EDNA M. VALERIO
Declarant

SUBSCRIBED AND SWORN TO, before me in Quezon City
this day of MAR 18 2026 by Declarant who exhibited to me a
competent proof of identity, to wit: SSS ID with No. 05-0496133-1.

Doc. No. 170 ;
Page No. 35 ;
Book No. 1 ;
Series of 2026.


Notary Public.

PATRICK ANGELO V. TO

Roll No. 81582

Notary Public for Quezon City until December 31, 2026

126-D West Avenue, Phil-Am, Quezon City

Adm. Matter No. NP-278 (2025-2026)

PTR No. 8355207, 08 January 2026, Quezon City

IBP No. 574100, 27 December 2025, Quezon City

MCLE Compliance No. VIII-0012751; valid until 14 April 2028