

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
PASIG CITY

IN THE MATTER OF THE APPLICATION FOR
(1) CONFIRMATION OF AUTOMATIC COST
ADJUSTMENT AND TRUE UP MECHANISM OF
OVER/UNDER RECOVERIES OF GENERATION
RATE, TRANSMISSION RATE, SYSTEM LOSS
RATE, LIFELINE SUBSIDY, SENIOR
CITIZEN DISCOUNT SUBSIDY AND LOCAL
FRANCHISE AND BUSINESS TAXES FROM
JANUARY 2021 TO DECEMBER 2023 AND (2)
APPROVAL OF PROPOSED REFUND/RECOVERY
SCHEME WITH PRAYER FOR PROVISIONAL
AUTHORITY,

ERC CASE NO. _____

MACTAN ELECTRIC COMPANY, INC.,
APPLICANT.
x-----x

APPLICATION

MACTAN ELECTRIC COMPANY, INC. (MECO), by counsel,
respectfully states:

1. MECO is a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at MECO Building, Sangi Road, Lapu-Lapu City, Cebu. It may be served with notices and other processes through the undersigned counsel.
2. MECO has legislative franchise and Certificate of Public Convenience and Necessity as a distribution utility to operate and maintain a distribution system and provide distribution services in the City of Lapu-Lapu and in the Municipality of Cordova.
3. Republic Act No. 9136 or the Electric Power Industry Reform Act (EPIRA) allows distribution utilities to recover their cost to enable them to operate viably and, the Energy Regulatory Commission (ERC or Commission) adopted and promulgated rules to establish a 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 subject to the approval of the Commission.

4. This Application seeks to confirm MECO's calculations of Generation Rate Over/Under Recovery (**GOUR**), Transmission Rate Over/Under Recovery (**TOUR**), System Loss Rate Over/Under Recovery (**SLOUR**), Lifeline Subsidy Over/Under Recovery (**LSOUR**), Senior Citizen Discount Subsidy Over/Under Recovery (**SrDSOUR**), and Local Franchise Tax Over/Under Recovery (**LETOUR**) and Business Tax Over/Under Recovery (**BTOUR**) from January 2021 to December 2023, pursuant to the following ERC resolutions:
- a. **Resolution No. 16, Series of 2009**, entitled, "A Resolution Adopting the Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities," which provides the formulae for the calculation of over or under recovery on the Generation Rate, Transmission Rate, System Loss Rate, and Lifeline Subsidy Rate;
 - b. **Resolution No. 21, Series of 2010**, entitled, "A Resolution Amending Section 4 of Article 4 and Section 1 of Article 5 of the Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities," which provides the amended formula for the determination of actual system loss;
 - c. **Resolution No. 23, Series of 2010**, entitled, "A Resolution Adopting the Rules Implementing the Discounts to Qualified Senior Citizen End-Users and Subsidy from the Subsidizing End-Users on Electricity Consumption Under Sections 4 & 5 of Republic Act No. 9994," which provides the formulae for the calculation of the over or under recovery in the implementation of the Senior Citizen Discounts and Subsidy Rates;
 - d. **Resolution No. 02, Series of 2021**, entitled, "A Resolution on the Recovery of Pass-Through Taxes (Real Property, Local Franchise, and Business Taxes) of the Distribution Utilities," which provides for a systematic recovery of pass-through taxes; and
 - e. **Resolution No. 14, Series of 2022**, entitled, "A Resolution Adopting the Revised Rules Governing the Automatic Cost Adjustment and True-Up Mechanisms and Corresponding Confirmation Process for Distribution Utilities," which consolidated, updated, and rationalized the requirements for automatic cost adjustment mechanisms and confirmation process.
5. The calculated over/under recoveries of MECO from January 2021 to December 2023 based on the formulae provided in the said ERC Resolutions are indicated in the table below:

	ALLOWABLE REVENUE / DISCOUNT	ACTUAL REVENUE/ SUBSIDY	DIFF (OVER)/ UNDER
Generation	9,441,628,767.47	9,364,162,882.34	77,465,885.13
2021	2,380,006,872.67	2,343,087,331.62	36,919,541.05
2022	3,445,750,403.55	3,342,143,790.17	103,606,613.38
2023	3,615,871,491.25	3,678,931,760.55	(63,060,269.30)
Transmission	1,121,227,714.65	1,115,513,496.19	5,714,218.46
2021	334,697,199.98	340,980,498.11	(6,283,298.13)
2022	366,719,165.36	368,555,569.19	(1,836,403.83)
2023	419,811,349.31	405,977,428.89	13,833,920.42
System Loss	861,378,111.56	774,261,679.42	87,116,432.14
2021	222,139,909.35	188,909,861.28	33,230,048.07
2022	321,071,929.86	270,571,941.51	50,499,988.35
2023	318,166,272.35	314,779,876.63	3,386,395.72
Lifeline	29,869,564.84	47,634,814.07	(17,765,249.23)
2021	8,486,854.68	13,249,413.06	(4,762,558.38)
2022	12,976,613.93	24,372,542.49	(11,395,928.56)
2023	8,406,096.23	10,012,858.52	(1,606,762.29)
Senior Citizen	69,277.63	0.00	69,277.63
2021	18,978.89	0.00	18,978.89
2022	22,004.83	0.00	22,004.83
2023	28,293.91	0.00	28,293.91
Local Franchise Tax	18,338,784.40	15,097,498.12	3,241,286.28
2021	5,612,979.98	4,706,467.66	906,512.32
Lapu-lapu City	5,355,251.76	4,407,857.51	947,394.25
Mun. of Cordova	257,728.22	298,610.15	(40,881.93)
2022	5,831,721.20	4,753,325.21	1,078,395.99
Lapu-lapu City	5,525,302.12	4,494,341.00	1,030,961.12
Mun. of Cordova	306,419.08	258,984.21	47,434.87
2023	6,894,083.22	5,637,705.25	1,256,377.97
Lapu-lapu City	6,630,362.56	5,329,037.55	1,301,325.01
Mun. of Cordova	263,720.66	308,667.70	(44,947.04)
Business Tax	1,262,533.86	0.00	1,262,533.86
2021	384,025.70	0.00	384,025.70
Lapu-lapu City	384,025.70	0.00	384,025.70
Mun. of Cordova	0.00	0.00	0.00
2022	409,495.94	0.00	409,495.94
Lapu-lapu City	409,495.94	0.00	409,495.94
Mun. of Cordova	0.00	0.00	0.00
2023	469,012.22	0.00	469,012.22
Lapu-lapu City	469,012.22	0.00	469,012.22
Mun. of Cordova	0.00	0.00	0.00
Total	11,473,774,754.41	11,316,670,370.14	157,104,384.27

Table 1.0 MECO's Summary of (Over)/Under Recoveries

6. The reasons for (over)/under recovery are as follows:

Component	Variance	O/U	Explanation
Generation	77,465,885.13	Under	<p>Generation under recovery is the result of the following factors:</p> <ul style="list-style-type: none"> • Exclusion of SPC and TPI Costs and billed energy in the monthly implemented rate calculation which is now included in the allowable cost in true-up calculation using NPC rate; • Timing difference between the DU's Power Bills from suppliers and billing to consumers. There is one-month lag in the calculation of the relevant rate for a particular billing period. Most of the time during these years, the implemented rate is lower compared to the rate calculated at the end of the billing period due to increasing generation costs from power suppliers brought by increasing fuel cost; and • Difference between the Preliminary and Final Statements/Bill from IEMOP. Preliminary Statements/Bills were used in the calculation of monthly implemented GR when Final Statements were not yet available. In this True-up, Final Statements were used in the calculation of the allowable cost of its relevant billing period.
Transmission	5,714,218.46	Under	Under recovery is the result of the one-month lag in the calculation of the relevant rate for a particular billing period.
System Loss	87,116,432.14	Under	Under recovery is the effect of the calculation in the Generation and Transmission Over/Under Recovery. Also, in monthly implemented rate calculation, same KWH was used as denominator in the calculation of the AGR and ATR.
Lifeline Subsidy	(17,765,249.23)	(Over)	Over recovery is the result of difference between the actual discounts given to lifeliners and the actual subsidy collected.
Senior Citizen Discount	69,277.63	Under	Under recovery is due to the unrecovered discounts given to the qualified Senior Citizens.
Local Franchise Tax <i>Lapu-lapu</i> <i>Cordova</i>	3,279,680.38 (38,394.10)	Under (Over)	Under recovery is the result of the timing difference between the cost calculated by each LGU and the billing to consumers.
Business Tax <i>Lapu-lapu</i> <i>Cordova</i>	1,262,533.86 0.00	Under	Under recovery is due to the unrecovered business tax paid to LGU.

Table 2.0 Reasons for (Over)/Under Recovery

7. Subject to the correctness of the above computation, MECO proposes the following refund/recovery scheme:

Component	(Over)/Under	Rate	Period
GOUR	77,465,885.13	0.0573	36 mos.
TOUR	5,714,218.46		36 mos.
• Schedule 1		2.1722	
• Schedule 2		1.5642	
• Schedule 3		0.0027	
• Schedule 4		0.0026	
SLOUR	87,116,432.14		36 mos.
• Schedule 1		0.05791	
• Schedule 2		0.05076	
• Schedule 3		0.08122	
• Schedule 4		0.04781	
LSOUR	(17,765,249.23)	(0.0284)	12 mos.
SrDSOUR	69,277.63	0.0013	1 mo.
LFTOUR			
Lapu-lapu City	3,279,680.38	0.0022	36 mos.
Mun. of Cordova	(38,394.10)	(0.0124)	1 mo.
BTOUR			
Lapu-lapu City	1,262,533.86	0.0008	36 mos.
Mun. of Cordova	0.00		

Table 3.0 MECO's Calculation of (Refund)/Recovery Rate

8. MECO further informs the Commission that the recovery for real property taxes is deferred subject to the resolution of the dispute in CTA Case No. AC-258, entitled, "*Mactan Electric Company, Inc. vs. The Municipality of Cordova, the Assessor of Cordova, the Province of Cebu, and the Provincial Treasurer of Cebu,*" pending before the Court of Tax Appeals.
9. Finally, a provisional authority to implement the proposed refund/recovery scheme pending final approval of the Commission will give meaning to the policy of true-up mechanism. It is incumbent upon MECO to refund and to collect the over and under recoveries as valid pass-through costs.
10. In support of this Application and the prayer for provisional authority, MECO submits the **Judicial Affidavit of Engr. Juanito O. Tolentino, Jr.**, the Head of the Utility Economics Department.

RELIEF

MECO prays that the Honorable Commission:

- (1) APPROVE this Application and CONFIRM MECO's calculations of (over)/under recoveries; and
- (2) APPROVE MECO's proposed refund/recovery schedule and GRANT provisional authority to implement its

proposed refund/recovery scheme pending the evaluation and final resolution of the instant application.

MECO prays for other equitable relief.

Muntinlupa City for Pasig City, March 15, 2024.

For Mactan Electric Company, Inc. -



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By:

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MCLE Compliance No. VII-0020499; 14 April 2025
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NATASSIA MARIE S. TUASON

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IN THE MATTER OF THE APPLICATION FOR (1) CONFIRMATION OF AUTOMATIC COST ADJUSTMENT AND TRUE UP MECHANISM OF OVER/UNDER RECOVERIES OF GENERATION RATE, TRANSMISSION RATE, SYSTEM LOSS RATE, LIFELINE SUBSIDY, SENIOR CITIZEN DISCOUNT SUBSIDY AND LOCAL FRANCHISE AND BUSINESS TAXES FROM JANUARY 2021 TO DECEMBER 2023 AND (2) APPROVAL OF PROPOSED REFUND/RECOVERY SCHEME WITH PRAYER FOR PROVISIONAL AUTHORITY, MACTAN ELECTRIC COMPANY INC.(MECO), APPLICANT.

X-----X

REPUBLIC OF THE PHILIPPINES)
LAPU-LAPU CITY, PROVINCE OF CEBU) S.S.

**VERIFICATION &
CERTIFICATION OF NON-FORUM SHOPPING**

I, **GILBERT A. PAGOBO**, Filipino, of legal age, with office address at MECO Building, Sangi Road, Lapu-Lapu City, hereby state under oath that I am the authorized representative of **MACTAN ELECTRIC COMPANY, INC. (MECO)**, the applicant in this Application before the Energy Regulatory Commission (ERC), entitled, "In The Matter of the Application for (1) Confirmation of Automatic Cost Adjustment and True Up Mechanism of Over/Under Recoveries of Generation Rate, Transmission Rate, System Loss Rate, Lifeline Subsidy, Senior Citizen Discount Subsidy and Local Franchise and Business Taxes from January 2021 to December 2023 and (2) Approval of Proposed Refund/Recovery Scheme, With Prayer for Provisional Authority, Mactan Electric Company, Inc., Applicant." Attached is a copy of the Secretary's Certificate attesting to my authority.

1. By virtue of such authority, I attest that I caused the preparation of the said Application; read and understood its contents; and further attest that the allegations contained therein are true and correct based on my personal knowledge and on authentic records.
2. The Application is filed as part of MECO's regulatory compliance and is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation.
3. The factual allegations therein have evidentiary support or will likewise have evidentiary support after a reasonable opportunity for discovery.
4. I affirm the truthfulness of the statements contained in the Application and its supporting documents.

I have not commenced any other action or filed any claim involving the same facts in any court, tribunal, or quasi-judicial agency, and to the best of my knowledge, no such other action or claim is pending. If I should hereafter learn that the same or similar action or claim has been filed or is pending, I shall report such fact within five (5) days from knowledge thereof to the Energy Regulatory Commission (ERC).

IN WITNESS WHEREOF, I affix my signature this April 22, 2024, in Lapu-Lapu City, before a Notary Public, avowing to the whole truth of the contents of this document, under the penalty of law.


GILBERT A. PAGOBO
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public for and in the City of Lapu-Lapu, this GILBERT A. PAGOBO by the affiant, who presented to me his Philippine ID No. 2061-3697-3910-5937 bearing his name and photograph, as competent evidence of his identity.

Doc. No.: 326
Page No.: 47
Book No.: 15
Series of 2024.

JANICE R. MONTEROLA
Notary Public for Lapu-lapu City
Notary Commission No. 642-L
Valid until December 31, 2024
114 Osmeña Sr. St., Gun-ob, Lapu-lapu City
Roll of Attorneys No. 58922 | 04.15.11
IBP Lifetime Member No. 012565
PTR No. 0682317 | 01.05.2024

SECRETARY'S CERTIFICATE

I, **ALFREDO ALEX S. CRUZ III**, a Filipino, of legal age, with address at Unit 204 AIC Gold Tower Condominium, F. Ortigas Jr. Road, Ortigas Center, Pasig City, the duly elected Secretary of **MACTAN ELECTRIC COMPANY, INC.** (the Corporation), a corporation duly organized and existing under the laws of the Republic of the Philippines, with business address at MECO Building, Sangi Road, Lapu-Lapu City, under oath, hereby certify that during the special meeting of the Board of Directors on December 5, 2023, the following resolution was adopted:

"RESOLVED, that the Board of Directors of the Corporation hereby approves the Capital Expenditure Projects for Regulatory Years 2024 to 2030; *resolved further*, to ensure operational efficiency and timely compliance with mandatory filings and regular submissions required by the Energy Regulatory Commission (ERC), the Department of Energy (DOE) and other concerned regulatory agency, the Board of Directors hereby appoints the following person/s:

GILBERT A. PAGOBO SVP & General Manager
JULITO O. GULTIANO, JR. CFO & Regulatory Compliance Officer

to represent the Corporation in any and all mandatory filing, regulatory compliance, and reportorial submission including but not limited to: *Application/s for the Approval of Capital Expenditure Projects for Regulatory Years 2024 to 2030 and other applicable regulatory years, Application for the Confirmation of Automatic Cost Adjustment and True Up Mechanism of the Over/Under Recoveries of the Generation Rate, Transmission Rate, System Loss Rate, Lifeline Subsidy, and Senior Citizen Discount Subsidy for the applicable regulatory years, Explanation in case of a show cause, and other mandatory or required submission and compliance as may be directed by the ERC, DOE, and other regulatory agency*, cause the filing thereof before the concerned agency, and perform all other incidental actions necessary for its approval;

"RESOLVED, FURTHER, that the abovenamed representatives shall have full power and authority to: (1) execute, sign, and deliver any and all official documents required including: applications, petitions, verification and certification of non-forum shopping, affidavits, certifications, and other related document; (2) represent the Corporation in any stage of the proceedings, and shall have the power to avail of alternative modes of dispute resolution, negotiate the terms of settlement, enter into compromise agreements, resort to appeals and other legal remedies, and perform any and all other lawful act in pursuit of the Corporation's mandate.



“RESOLVED, FURTHERMORE, that the Board of Directors of the Corporation hereby engages **Atty. MISHELLE ANNE R. RUBIO-AGUINALDO** and her law firm, **RUBIO-AGUINALDO & ATTORNEYS,** to act as counsel, represent, and assist the Corporation in its mandatory filing, regulatory compliance, and reportorial submission including but not limited to: *Application/s for the Approval of Capital Expenditure Projects for Regulatory Years 2024 to 2030 and other applicable regulatory years, Application for the Confirmation of Automatic Cost Adjustment and True Up Mechanism of the Over/Under Recoveries of the Generation Rate, Transmission Rate, System Loss Rate, Lifeline Subsidy, and Senior Citizen Discount Subsidy for the applicable regulatory years, Explanation in case of a show cause, and other mandatory or required submission and compliance as may be directed by the Energy Regulatory Commission (ERC);*

“RESOLVED, FINALLY, that this resolution shall be effective until a contrary resolution is approved, in such event this resolution shall be deemed revoked and automatically cease to be effective.”

DEC 14 2023

IN WITNESS WHEREOF, I have hereunto set my hand and signed this ___th day of December 2023 in Pasig City.


ALFREDO ALEX S. CRUZ III
Secretary

DEC 14 2023


SUBSCRIBED AND SWORN to before me this ___ day of QUEZON CITY, affiant exhibiting to me his Philippine Driver's License with Driver's License No. X01-78-001305, bearing his photograph and signature.

Doc. No. 768

Page No. 74

Book No. LXXVI

Series of 2023.


ATTY. JAY T. BORROMEO
Notary Public
For and in Quezon City
Valid Until Dec. 31, 2024
IBP No. 248673/10-13-2022 for 2023, Quezon City
PTR No. 4030524 / 01-03-2023, Quezon City
Reg. No. 49649 / TIN 156-545-237
Admin Matter No. NF-008 (2023-2024)
MCLC Compliance No. VII-0002195
Issued on 02/26/2020 Until 04/14/2025
Add: No. 315 Commonwealth Avenue
Brgy. Culiat, Quezon City

IN THE MATTER OF THE APPLICATION FOR
(1) CONFIRMATION OF AUTOMATIC COST
ADJUSTMENT AND TRUE UP MECHANISM OF
OVER/UNDER RECOVERIES OF GENERATION
RATE, TRANSMISSION RATE, SYSTEM LOSS
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APPLICANT.

X-----X

REPUBLIC OF THE PHILIPPINES)
LAPU-LAPU CITY, CEBU) S.S.

JUDICIAL AFFIDAVIT OF
JUANITO O. TOLENTINO, JR.

I, **JUANITO O. TOLENTINO, JR.**, Filipino, of legal age, with office address at Mactan Electric Company, Inc., MECO Building, Sangi Road, Pajo, Lapu-Lapu City, Cebu, hereby state that I am the Utility Economics Department Head of Mactan Electric Company, Inc. or MECO, the applicant in this Application, and in support thereof, I hereby execute this judicial affidavit for the following purposes:

- (1) To prove that MECO's computation of (over)/under recoveries is compliant with the relevant resolutions issued by the Energy Regulatory Commission (ERC) such as: (a) ERC Resolution No. 16, Series of 2009; (b) ERC Resolution No. 21, Series of 2010; (c) ERC Resolution No. 23, Series of 2010; (d) ERC Resolution No. 02, Series of 2021; and (e) ERC Resolution No. 14, Series of 2022;
- (2) To prove that MECO's proposed refund/recovery schedule is in accordance with existing rules of the ERC;

- (3) To prove that MECO's application will redound to the benefit of its customers;
- (4) To prove the material allegations in the application; and
- (5) To identify and authenticate the supporting documents attached to the application.

The questions and answers were recorded and transcribed in English, and I attest that I answered the questions asked of me truthfully and based on my personal knowledge and authentic records. I further attest that I am freely and voluntarily executing this judicial affidavit with full awareness that I could face criminal liability for false testimony or perjury.

- Q1 : You mentioned that you are the Utility Economics Department Head of Mactan Electric Company, Inc. or MECO. What is MECO and its nature of business?
- A1 : MECO is a corporation duly organized under Philippine laws. It has legislative franchise and a Certificate of Public Convenience and Necessity as a distribution utility to operate the electric light and power distribution service in Lapu-Lapu City and in the Municipality of Cordova.
- Q2 : What are your primary functions as the Utility Economics Department Head?
- A2 : I am in charge of the calculation of the rates for pass-through cost and the translation of the ERC-approved annual revenue into rates. I also manage MECO's bilateral contract quantity with its power suppliers, among other things.
- Q3 : You mentioned that this judicial affidavit is executed in support of MECO's application with the Energy Regulatory Commission (ERC). Are you familiar with this application?
- A3 : Yes. I am part of the team who prepared the application and its supporting documents.
- Q4 : What is this application about?
- A4 : Distribution utilities or DUs, like MECO, are required to file this application every three (3) years within the period prescribed by the rules to ask the ERC to confirm and approve the DUs calculations of over/under recoveries of

the following pass-through costs: Generation Rate Over/Under Recovery (**GOUR**), Transmission Rate Over/Under Recovery (**TOUR**), System Loss Rate Over/Under Recovery (**SLOUR**), Lifeline Subsidy Over/Under Recovery (**LSOUR**), and Senior Citizen Discount Subsidy Over/Under Recovery (**SrDSOUR**), Local Franchise Tax Over/Under Recovery (**LFTOUR**), and Business Tax Over/Under Recovery (**BTOUR**). This Application covers the period from January 2021 to December 2023.

- Q5 : If the application is shown to you, will you be able to identify it?
A5 : Yes, ma'am.
- Q6 : Please go over this **Application dated March 15, 2024**. What is the relation of this application to the one that you mentioned?
A6 : This is the Application that we filed with the ERC.
- Q7 : On the Verification and Certification Against Forum-Shopping page appears a signature above the name Gilbert A. Pagobo. Do you recognize this name and signature?
A7 : It's the name and signature of MECO's General Manager, Engr. Gilbert A. Pagobo.
- Q8 : How do you know that this is his signature?
A8 : He reviewed and signed the Application in my presence.
- Q9 : How did you arrive at your calculations as shown in paragraph 5 of the Application?
A9 : We calculated the over or under recoveries covering the period January 2021 to December 2023 using the formulae in the rules on the automatic cost adjustment and true-up mechanisms and corresponding confirmation process for distribution utilities and other relevant provisions. These rules are found in ERC Resolution No. 16, Series of 2009, ERC Resolutions No. 21 and 23, Series of 2010, and more recently, ERC Resolution No. 02, Series of 2021 and ERC Resolution No. 14, Series of 2022.
- Q10 : Do you have documents to support and validate your computations for over/under recoveries?
A10 : Yes, ma'am. In support of our Application, we submitted the following supporting documents:

Exh.	Folder	Description
A	F1	Application & Compliances
B	F2	Supplier and Transmission Data
C	F3	Statistical Data
D	F4	Actual Implemented Rates Data
E	F5	Other Documents
F	F6	Local Franchise Tax
G	F7	Business Tax
H	F8	Expository Presentation

Q11 : If these documents were shown to you, will you be able to identify them?

A11 : Yes. I also have a hard copy and an electronic copy of the annexes that we submitted to the ERC.

Q12 : For the record, the witness, through his laptop, presented the electronic documents accessed via One Drive with folders labelled as shown above. After presenting the electronic documents, the witness produced the physical copies or print outs of the electronic documents. Are you amenable that these documents be marked as exhibits and form part of your judicial affidavit?

A12 : Yes, ma'am.

Q13 : I noticed that the physical copies of your documentary exhibits are stamped and marked "**certified true copy**" with a signature appearing thereon. Who signed and certified these documents as true copies?

A13 : The signature belongs to our Chief Finance Officer and Regulatory Compliance Officer, Mr. Julito O. Gultiano, Jr.

Q14 : How do you know that this is his signature?

A14 : I am familiar with his signature because he certified those documents in my presence.

Q15 : What other documents do you have in relation to the Application, if any?

A15 : I also prepared an expository presentation that will further explain our calculations and a soft copy of the Application saved in cloud drive via One Drive and USB.

Q16 : For the record, the witness accessed and opened a power point presentation and produced a printout of his expository presentation.

Are you amenable that this document be marked as **Exhibit G, Series** and form part of your judicial affidavit?

A16 : Yes, ma'am.

Q17 : Do you confirm the necessity of the provisional authority to implement the refund/recovery scheme?

A17 : Yes, ma'am.

Q18 : When did you submit this Application?

A18 : We submitted this Application for pre-filing last March 19, 2024.

Q19 : Do you affirm the truthfulness of your answers and the information contained in the Application?

A19 : Yes, ma'am.

Q20 : Do you affirm the authenticity of the supporting documents of your Application.

A20 : Yes, ma'am.

Q21 : Do you affirm that the documents attached hereto are complete, authentic, and genuine and have never been altered nor modified?

A21 : Yes, ma'am.

Q22 : Do you confirm that you have personal knowledge over these documents?

A22 : Yes, I confirm.

IN WITNESS WHEREOF, I affix my signature this April 19, 2024 in Lapu-Lapu City, before a Notary Public, avowing to the whole truth of the contents of this document, under the penalty of law.


JUANITO O. TOLENTINO, JR.
Witness-Affiant

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public for and in the City of Lapu-Lapu, this April 22, 2024, by the affiant, who is personally known to me and presented to me his Philippine Driver's License No. G01-04-320281, as competent evidence of his identity.

Doc. No. 227 ;
Page No. 67 ;
Book No. 15 ;
Series of 2024.


JANICE P. MONTEROLA
Notary Public for Lapu-Lapu City
Notarial Commission No. 642-L
Valid until December 31, 2024

IN THE MATTER OF THE APPLICATION FOR (1) CONFIRMATION OF AUTOMATIC COST ADJUSTMENT AND TRUE UP MECHANISM OF OVER/UNDER RECOVERIES OF GENERATION RATE, TRANSMISSION RATE, SYSTEM LOSS RATE, LIFELINE SUBSIDY, SENIOR CITIZEN DISCOUNT SUBSIDY AND LOCAL FRANCHISE AND BUSINESS TAXES FROM JANUARY 2021 TO DECEMBER 2023 AND (2) APPROVAL OF PROPOSED REFUND/RECOVERY SCHEME WITH PRAYER FOR PROVISIONAL AUTHORITY, MACTAN ELECTRIC COMPANY INC., APPLICANT.

x-----x


REPUBLIC OF THE PHILIPPINES)
LAPU-LAPU CITY, CEBU) S.S.

OATH AND ATTESTATION
OF THE EXAMINING LAWYER

I, **ATTY. JANICE MONTEROLA**, of legal age, Filipino, with office address at MECO Building, Sangi Road, Pajo, Lapu-Lapu City, hereby state under oath that in connection with the application of Mactan Electric Company Inc. (MECO) before the Energy Regulatory Commission (ERC), entitled, "In The Matter of the Application for (1) Confirmation of Automatic Cost Adjustment and True Up Mechanism of Over/Under Recoveries Of Generation Rate, Transmission Rate, System Loss Rate, Lifeline Subsidy, Senior Citizen Discount Subsidy and Local Franchise and Business Taxes from January 2021 to December 2023 And (2) Approval of Proposed Refund/Recovery Scheme, with Prayer for Provisional Authority, Mactan Electric Company, Inc., Applicant," I hereby attest and certify that:


- (1) I conducted the examination of MECO's witness, Mr. Juanito O. Tolentino, Jr.
- (2) I faithfully recorded the questions and his answers; and
- (3) Neither I nor any other person coached the witness regarding his answers.

In witness whereof, I have hereunto set my hand and seal this April 22, 2024 in Lapu-Lapu City.


ATTY. JANICE MONTEROLA
Examining Lawyer

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public for and in the City of Lapu-Lapu, this April 22, 2024, by the affiant, who is personally known to me and presented to me her UMID CRN 0111-09871388 bearing her name and photograph, as competent evidence of her identity.

Doc. No. 278;
Page No. 71;
Book No. 1;
Series of 2024.


ATTY. JAY KENT COLONIA ROILES
NOTARY PUBLIC FOR LAPU-LAPU CITY:
COMMISSION NO. 681-L.8/22/23, UNTIL 12/31/24
Roll No. 87209, May 2, 2023, IBP No. 407751, January 8, 2024
PTR No. 0683849A, Lapu-Lapu City, January 9, 2024
MCLE Compliance No. (NEWLY ADMITTED 2023)
2ND FLR, RDA Building, S. Osmena St., Brgy. Gun-ob, Lapu-Lapu City
MECO | 09088236807; attykroiles@gmail.com