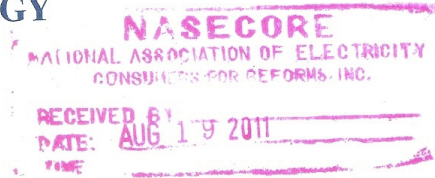




Republic of the Philippines
DEPARTMENT OF ENERGY



26 July 2011

MR. PETE L. ILAGAN

President

National Association of Electricity Consumers for Reforms, Inc.
(NASECORE)
680 Quirino Ave., Pasay City

Dear *Pres. Ilagan*:

We acknowledge receipt of your letters addressed to the Energy Regulatory Commission (ERC), copy furnished this Department, regarding the alleged over collections of the following electric cooperatives and distribution utilities:

- Misamis Occidental I Electric Cooperative (MOELCI I)
- Misamis Occidental II Electric Cooperative (MOELCI II)
- Cagayan Electric Light & Power Co. Inc. (CEPALCO)
- Bukidnon II Electric Cooperative (BUSECO)
- Davao Del Sur Electric Cooperative (DASURECO)
- Lanao Del Norte Electric Cooperative (LANECO)
- Camarines Norte Electric Cooperative (CANORECO)
- Camarines Sur IV Electric Cooperative (CASURECO IV)
- Pampanga Rural Electric Service Cooperative (PRESCO)
- Angeles Electric Corporation (AEC)
- Pangasinan I Electric Cooperative (PANELCO I)
- Zambales I Electric Cooperative (ZAMECO I)
- Zambales II Electric Cooperative (ZAMECO II)
- San Jose City Electric Cooperative (SAJELCO)
- Tarlac I Electric Cooperative (TARELCO I)
- Cabanatuan Electric Light System (CELCOR)
- Leyte II Electric Cooperative (LEYECO II)
- Cebu I Electric Cooperative (CEBECO I)
- Cebu II Electric Cooperative (CEBECO II)
- Cebu III Electric Cooperative (CEBECO III)
- Central Negros Electric Cooperative (CENECO)
- Quezon I Electric Cooperative (QUEZELCO I)
- Batangas I Electric Cooperative (BATELEC I)
- Batangas II Electric Cooperative (BATELEC II)
- Ibaan Electric and Engineering Corporation (IEEC)
- La Union Electric Cooperative, Inc. (LUELCO)

The Department is cognizant of NASECORE's efforts to protect the consumers from any abuse of electric power industry participants. Given that these matters have been referred to the ERC, we trust that the Commission will give their utmost attention towards clarity and resolutions of the issues raised. Further, we would like to emphasize that under Section 43 (u) of the Electric Power Industry Reform Act of 2011 (EPIRA Law), the ERC has the original and exclusive jurisdiction over all cases contesting electricity rates.

With respect to your follow-up letter concerning LEYECO II, please be informed that these have already been referred to National Electrification Administration (NEA) for appropriate action.

Meantime, these concerns will be included in the discussions with NEA and the ERC, as agreed upon during our meeting held in Tacloban City last 01 July 2011.

Rest assured that the Department continues to pursue the policy objectives set forth in the EPIRA Law towards a more efficient and better electric power service delivery to the consuming public.

Thank you and best regards.

Very truly yours,


ATTY. JOSEFINA PATRCIA M. ASIRIT
Chief of Staff/Undersecretary
Electric Power Industry Management Bureau

cc: Secretary Jose Rene D. Almendras, DOE
Administrator Edita S. Bueno, NEA