

REPUBLIC OF THE PHILIPPINES
ENERGY REGULATORY COMMISSION
JADE DRIVE, PASIG CITY

ORIGINAL

IN THE MATTER OF THE
APPLICATION FOR:

(A) CONFIRMATION OF TRUE-
UP CALCULATIONS OF ACTUAL
WEIGHTED AVERAGE TARIFF
(AWAT) VIS-À-VIS ERC-
APPROVED MAXIMUM
AVERAGE RATE FOR THE
LAPSED REGULATORY YEARS;
AND

(B) APPROVAL OF THE FINAL
REFUND/COLLECT SCHEME
TO ACCOUNT FOR THE
LAPSED REGULATORY YEARS,

ERC CASE NO. 2022-057RC

March 23, 2026

DAGUPAN ELECTRIC
CORPORATION (DECORP),
Applicant.

x-----x

SUPPLEMENTAL APPLICATION

APPLICANT Dagupan Electric Corporation (DECORP), through the undersigned counsel, and unto this Honorable Commission, most respectfully states: That –

1. On August 25, 2022, DECORP filed the instant Application for (a) Confirmation of True-Up Calculations of AWAT vis-à-vis Maximum Average Rate for the Lapsed Regulatory Years, and (b) Approval of the Final Refund/Collect Scheme to Account for the Lapsed Regulatory Years, praying for the following, among others:

- a. *Confirmation of DECORP's true-up calculations of its AWAT vis-à-vis its last approved MAP, more particularly described as follows:*

<i>Period</i>	<i>kWh</i>	<i>Approved MAP</i>	<i>AWAT</i>	<i>Under (Over) Recovery</i>	
				<i>Php/ kwh</i>	<i>Amount</i>
<i>Jul 2015 to Jun 2016</i>	<i>320,580,534</i>	<i>1.9169</i>	<i>1.8582</i>	<i>0.0587</i>	<i>18,819,893.80</i>
<i>Jul 2016 to Jun 2017</i>	<i>338,426,141</i>	<i>1.9169</i>	<i>1.8681</i>	<i>0.0489</i>	<i>16,543,759.40</i>
<i>Jul 2017 to Jun 2018</i>	<i>366,131,492</i>	<i>1.9169</i>	<i>1.8783</i>	<i>0.0386</i>	<i>14,147,466.58</i>
<i>Jul 2018 to Jun 2019</i>	<i>372,808,412</i>	<i>1.9169</i>	<i>1.8883</i>	<i>0.0286</i>	<i>10,671,779.03</i>
<i>Jul 2019 to Jun 2020</i>	<i>381,264,274</i>	<i>1.9169</i>	<i>1.9454</i>	<i>(0.0285)</i>	<i>(10,859,049.34)</i>
<i>Jul 2020 to Jun 2021</i>	<i>394,995,686</i>	<i>1.9169</i>	<i>1.9620</i>	<i>(0.0451)</i>	<i>(17,813,074.77)</i>
<i>Jul 2021 to June 2022</i>	<i>407,119,034</i>	<i>1.9169</i>	<i>1.9389</i>	<i>(0.0220)</i>	<i>(8,953,739.71)</i>
<i>Total Under (Over)</i>					<i>22,557,034.99</i>

- b. *Direct DECORP to refund the amount recovered in excess and collect the amount under recovered of its last approved MAP for Regulatory Years (RY) 2016, 2017, 2018, 2019, 2020, and 2022 under the following scheme:*

Proposed Collect (Refund) in 7 years

	<i>Energy Forecast</i>	<i>Collect</i>	<i>Collect Rate (Php/kWh)</i>
<i>Residential (R)</i>	<i>1,677,870,653.04</i>	<i>13,569,949.46</i>	<i>0.0081</i>
<i>Street Lighting (S)</i>	<i>31,907,938.14</i>	<i>495,015.61</i>	<i>0.0155</i>
<i>General Retail (X)</i>	<i>676,868,210.75</i>	<i>3,784,699.34</i>	<i>0.0056</i>
<i>General Power (Y)</i>	<i>500,711,860.96</i>	<i>2,939,760.69</i>	<i>0.0059</i>
<i>Bulk Power (Z)</i>	<i>533,120,428.70</i>	<i>1,767,609.89</i>	<i>0.0033</i>
<i>Total</i>	<i>3,420,479,092</i>	<i>22,557,034.99</i>	<i>0.0066</i>

- c. *Upon confirmation of DECORP's true-up calculations of its AWAT vis-à-vis its last approved MAP, and the approval of its refund/ collect scheme, declare with finality that all issues relating to DECORP's lapsed Regulatory Years of 2016, 2017, 2018, 2019, 2020, and 2022 as resolved, closed, and terminated.*

2. The Honorable Commission issued Resolution No. 23, series of 2025 or a Resolution Directing all Privately-Owned Distribution Utilities ("PDUs") to file their respective AWAT Applications for the Lapsed Period. The said resolution provides that the PDUs are directed to file, within sixty (60) calendar days from the effectivity of the Resolution, an Application for the confirmation of its Actual Weighted Average Tariff ("AWAT") as against its last approved rates. The Application shall cover the period from the start of their respective Lapsed Period until 31 December 2025. For PDUs that have previously filed AWAT applications, the updated computation shall be submitted

as Supplemental Application in their pending cases instead of filing a new application.

3. As such, Applicant DECORP is filing the instant Supplemental Application in the instant Application.

4. To reiterate and as a current background on Applicant:

- a. Applicant DECORP is a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at AB Fernandez West, Dagupan City where it may be served with summons and other legal processes, represented in this instance by its President, Rene L. Llames, of legal age, Filipino, and with office address at Veria I Bldg., 62 West Avenue, Quezon City.
- b. DECORP is the holder of an exclusive legislative franchise issued by Congress of the Philippines pursuant to Republic Act No. 9969, to operate an electric light and power service in the Cities and Municipalities of Dagupan, Calasiao, San Fabian, Sta. Barbara, San Jacinto, Manaoag, Barangays Cruz and Bolingit of San Carlos City, all in the Province of Pangasinan.
- c. DECORP, along with Cotabato Light & Power Company, Inc. ("CLPC"), Cagayan Electric Power and Light Company ("CEPALCO") and Manila Electric Company ("MERALCO") comprise the First Entry Group of PDUs that entered Performance Based Regulation ("PBR") under the Rationalized Rules for Setting Distribution Wheeling Rates for Privately Owned Electricity Distribution Utilities Operating Under PBR ("RRDWR").

5. PBR is the internationally-accepted rate-setting methodology adopted by the Honorable Commission to set the distribution wheeling rates of PDUs.

6. Guided by the Over/Under Recovery Formula provided under Section 4.3.1 of Article IV of the RRDWR and taking into consideration the

computations in the aforementioned ACAM Application of DECORP, DECORP has prepared this instant Application.

7. As approved by the Honorable Commission in its Decision dated 9 February 2015 in ERC Case No. 2014-027 RC, the MAP of DECORP for the Fourth Regulatory Year of its Third Regulatory Period is Php 2.4472. Excluding the allowed incentive factor of Php 0.0066/kWh and a correction factor of Php -0.5237/kWh, DECORP used a MAP of Php 1.9169 in computing its AWAT vis-à-vis its last approved MAP for the period July 1, 2022 to December 31, 2025. DECORP's true-up calculations are as follows:

Period	kWh	Approved MAP	AWAT	Under (Over) Recovery	
				Php/kwh	Amount
Jul 2022 to Jun 2023	422,878,725	1.9169	1.9029	0.0141	5,948,692.94
Jul 2023 to Jun 2024	478,441,757	1.9169	1.8915	0.0255	12,176,660.87
Jul 2024 to Jun 2025	497,352,187	1.9169	1.9111	0.0058	2,896,747.95
Jul 2025 to Dec 2025	250,087,805	1.9169	1.9198	(0.0029)	(715,543.82)
Total (Over) Under Recovery					20,306,557.94

8. Based on the foregoing, DECORP proposes to collect from its customers the amount recovered in deficit of the last approved MAP in the total amount of Twenty Million Three Hundred and Six Thousand Five Hundred Fifty-Seven Pesos and 94/100 (**PhP 20,306,557.94**) under the following proposed collection/refund program:

Proposed Collection (Refund) in -Four (4) Years			
	Energy Forecast	Collect	Collect Rate (Php/kWh)
Residential (R)	1,229,025,299.00	12,216,098.66	0.0099
Street Lighting (S)	13,372,793.00	445,628.74	0.0333
General Retail (X)	387,033,153.00	3,407,106.32	0.0088
General Power (Y)	258,546,602.00	2,646,465.76	0.0102
Bulk Power (Z)	324,107,393.00	1,591,258.46	0.0049
Total	2,212,085,240	20,306,557.9	0.0092

The refund or collection rate will be reflected as a separate line item in the bills of the customers during the refund or collection period.

9. In support of this Application, DECORP has attached the following supporting documents:

SCHEDULE	INFORMATION PROVIDED
A	Under Over Calculation
B	Distribution Revenues
C	Related Business
D	Sample Bills
E	Rate Impact
F	Proposed Recovery

PRAYER

WHEREFORE, premises considered, DECORP respectfully prays that after due notice and hearing, the Honorable Commission render its Decision as follows:

- a. Confirming DECORP's true-up calculations, more particularly described as follows:

Period	kWh	Approved MAP	AWAT	Under (Over) Recovery	
				Php/kwh	Amount
Jul 2022 to Jun 2023	422,878,725	1.9169	1.9029	0.0141	5,948,692.94
Jul 2023 to Jun 2024	478,441,757	1.9169	1.8915	0.0255	12,176,660.87
Jul 2024 to Jun 2025	497,352,187	1.9169	1.9111	0.0058	2,896,747.95
Jul 2025 to Dec 2025	250,087,805	1.9169	1.9198	(0.0029)	(715,543.82)
Total (Over) Under Recovery					20,306,557,.94

- b. Direct DECORP to refund the amount recovered in excess and collect the amount under recovered for regulatory years from July 1, 2022 to December 31, 2025 under the following scheme:

Proposed Collect (Refund) in 4 years

	Energy Forecast	Collect	Collect Rate (Php/kWh)
Residential (R)	1,229,025,299.00	12,216,098.66	0.0099
Street Lighting (S)	13,372,793.00	445,628.74	0.0333
General Retail (X)	387,033,153.00	3,407,106.32	0.0088
General Power (Y)	258,546,602.00	2,646,465.76	0.0102
Bulk Power (Z)	324,107,393.00	1,591,258.46	0.0049
Total	2,212,085,240	20,306,557.94	0.0092

- c. Upon confirmation of DECORP's true-up calculations of its AWAT, and the approval of its refund/collect scheme, declare with finality that all issues relating to DECORP's *lapsed Regulatory Years* of from July 1, 2022 to December 31, 2025 as resolved, closed, and terminated.

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

Pasig City, March 17, 2026.

**The Law Firm of
QUIASON MAKALINTAL**

Counsel for Applicant

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By:



MIGUEL K. MATHAY

ROLL OF ATTORNEYS NO. 43982
MCLE COMPLIANCE NO. VIII-0023334; 4/14/2028
PTR NO. 3985714; 01/07/2026
PASIG CITY
IBP NO. 536434; 12/26/2025
RIZAL (RSM)



GIANNA MARIA C. COMSTI

ROLL OF ATTORNEYS NO. 63071
MCLE COMPLIANCE NO. VIII-0022934; 4/14/2028
PTR NO. 3985716; 01/07/2026
PASIG CITY
IBP NO. 536437; 12/26/2025
RIZAL (RSM)

VERIFICATION & CERTIFICATION
AGAINST FORUM SHOPPING

I, **RENE L LLAMES**, of legal age, Filipino, with office address at AB Fernandez West, Dagupan City after having been duly sworn to in accordance with law, hereby depose and state:

1. I am the President and CEO of Dagupan Electric Corporation (“DECORP”), the Applicant in the above-captioned case;
2. I have caused the preparation of the foregoing Supplemental Application;
3. I have read the Application and the allegations contained herein are true and correct of my personal knowledge and based on authentic records and/or documents;
4. The foregoing Supplemental Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;
5. The factual allegations in the foregoing Supplemental Application have evidentiary support, or if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;
6. I certify that Applicant has not commenced any other action, claim for relief or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other court, tribunal or quasi-judicial agency; and to the best of my knowledge, no such other action, claim or proceeding is pending; and that, if I should learn that a same or similar action, claim or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different Divisions thereof, or any other court, tribunal or quasi-judicial agency, I undertake to promptly inform this Honorable Court within five (5) calendar days therefrom.




RENE L. LLAMES
Affiant

SUBSCRIBED AND SWORN to before me this MAR 18 2026 day of 2026 at QUEZON CITY; affiant is known to me and exhibited to me his Competent Evidence of Identity as follows:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
Rene L. Llames	Driver's License X01-05-002065	08/04/2022 / Quezon City

Doc. No. 213 ;
Page No. 044 ;
Book No. LV ;
Series of 2026.


AFFY. RYAN G. PEKAS
NOTARY PUBLIC FOR QUEZON CITY
VALID UNTIL DEC. 31, 2026
ROLL OF ATTORNEY NO. 66393 / TIN 289-467-753
IBP NO. 576863-December 30, 2025, QC
MCLE NO. VIII-0013054, VALID UNTIL 14/APR/2028
PTR NO. 10438501, January 5, 2026, MARIKINA CITY
CUBAO DIAMOND FINANCE, CUBAO, QC