

**[ ERC RESOLUTION NO. 03, S. 2009, February 23, 2009 ]**

**RESOLUTION AMENDING THE GUIDELINES TO GOVERN THE IMPOSITION OF ADMINISTRATIVE SANCTIONS IN THE FORM OF FINES AND PENALTIES PURSUANT TO SECTION 46 OF REPUBLIC ACT NO. 9136**

This is to amend Sections 4 and 5, Article III of the GUIDELINES TO GOVERN THE IMPOSITION OF ADMINISTRATIVE SANCTIONS IN THE FORM OF FINES AND PENALTIES PURSUANT TO SECTION 46 OF REPUBLIC ACT NO. 9136 ("Guidelines") approved on May 17, 2002 to read as follows:

**"ARTICLE III  
ADMINISTRATIVE SANCTIONS**

*Section 4. Non-Submission of Documents.* – Any person who, without justifiable reason, fails to submit the documents in compliance with the ERC's List of Reportorial Requirements or any other documents which the ERC may require from time to time, shall be subject to the following sanctions:

No. of Violation	Basic Amount of Penalty	Additional Penalty to be Imposed for the Delay in the Compliance from Notification
1 <sup>st</sup> violation	PhP50,000.00	a. More than 1 (one) month but less than three (3) months 10% of the basic amount of penalty
2 <sup>nd</sup> and 3 <sup>rd</sup> violations	PhP100,000.00	b. Three (3) months to six (6) months – 50% of the basic amount of penalty.
4 <sup>th</sup> and subsequent violations	PhP200,000.00	c. More than six (6) months-50% of the basic amount of penalty for every month of delay

If the reports/documents submitted contain fraudulent information/data, the same shall be treated as non-compliance with the preceding paragraph and shall be subject to the following sanctions:

No. of Violation	Basic Amount of Penalty	Additional Penalty
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1 <sup>st</sup> violation	PhP200,000.00	a. 50% of the basic amount of penalty if there were Financial benefits that may be derived as a result of the violation
2 <sup>nd</sup> violation	PhP300,000.00	b.75% of the basic amount of penalty if the violation is intended to conceal illegal acts
3 <sup>rd</sup> violation and subsequent violations	PhP500,000.00 and cancellation of the Certificate of Public Convenience and Necessity (CPCN) License and the Franchise for Consortium	c. 100% of the basic amount of penalty if the violation directly affects the consumers

The official or personnel of the juridical entity solely responsible for the submission of the fraudulent reports shall be subject to the following sanctions:

No. of Violation	Amount of Penalty
1 <sup>st</sup> violation	PhP100,000.00
2 <sup>nd</sup> violation	PhP200,000.00
3 <sup>rd</sup> and subsequent violations	PhP400,000.00

For purposes of these Guidelines, the responsible officer being referred to in the preceding paragraph are those who have directly participated in, or have authorized the preparation of such reports/documents.

No compromise agreement shall be allowed in cases where the same violation was committed more than once.

SECTION 5. NON COMPLIANCE WITH THE PROVISIONS OF THE ACT AND ITS IRR, GRID AND DISTRIBUTION CODES, RULES REGULATIONS, ORDERS, RESOLUTION AND OTHER LAWS OF THE ERC. Any person who has been found to have committed a violation of any provisions of the Act and its IRR, the Philippine Grid and Distribution Codes (PGDC), rules, regulations, orders, resolutions and other laws the implementation and enforcement of which are delegated to the ERC, including but not limited to the following, shall be subject to the following sanctions: