

## PROPOSED AMENDMENTS TO EPIRA (PALECO)

ISSUE	SPECIFIC PROVISION AFFECTED	PROPOSED AMENDMENTS ON THE PROVISIONS AFFECTED	DISCUSSION OF PROPOSAL
1. Lifeline Rate	Section 73. Lifeline Rate Under Chapter VIII General Provisions	Strict compliance with said provisions to finally stop its implementation	The 10-year period (now going 14 years) of giving subsidy to those consumers belonging to lifeliners is more than enough as they should now pay what they actually used in fairness to the DU/ECs and its consumers.
2. Value added tax-exemption		As additional Section 75. Value Added Tax Payment Exemption under Chapter VIII General Provisions	VAT on distribution of electricity be removed (if not to include the generation) to further lower down the cost of power.