18th EPIRA Implementation Status Report
(Period Covering November 2010 to April 2011)

Prepared by the
Department of Energy

With Contributions from

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National Electrification Administration
National Power Corporation
National Transmission Corporation
Philippine Electricity Market Corporation
Power Sector Assets and Liabilities Management Corporation

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I. INTRODUCTION

This report, covering the month of November 2010 up to April 2011, serves as a summary update of particular developments in pursuit of the Government to restructure and privatize the power sector. Important milestones were noted in improving competition in the generation sector with the expansion of WESM in the Visayas and the implementation of an institutional change meant to shape up the operations of Electric Cooperatives.

Power supply situation improved with the entry of new capacities and robust implementation of appropriate actions plans to stabilize the system. Likewise, completion of the remaining pre-condition for the implementation of open access and retail competition were achieved. Further, efforts were focused in the amendments of the EPIRA particularly in extending the life of the Joint Congressional Power Commission (JCPC) and the implementation of Section 72 on the Lifeline Rates.

II. PRIVATIZATION

For the report period, activities in the privatization of NPC/PSALM generating assets and IPP contracts were deferred with the new administration's call for a review of the Privatization Plan and the need to address the seasonal supply interruptions. The developments only pertain to PSALM's continuing activity for the completion of the remaining legal, financial and technical requirements for the smooth turn-over of the privatized power plants and IPP contracts as follows:

A. Privatization of Generating Assets

- Pending transfer of Angat Hydroelectric Power Plant

  The transfer of Angat to the new owner,Korea Water Resources Development Corporation (K-Water) has been pending due to the Status Quo Ante Order issued by the Supreme Court (SC). Although PSALM filed an Urgent Manifestation and Motion informing the SC that in view of the continued El Niño Phenomenon and to avoid the possibility of scarcity of potable water within the Metro Manila area, the low-level outlet and By-PassNo.5 (both non-power components) will be repaired and rehabilitated immediately by NPC, in its capacity as operator, and MWSS, through its two (2) concessionaires, namely: (1) Manila Water Company, Inc. and (2) Maynilad Water Services, Inc. In the alternative, PSALM moved that the conduct of the necessary repairs and rehabilitation be approved by the SC. The said Manifestation and Motion is still pending resolution by the SC.

- Issue on stored energy and stored energy payments of Bacon-Manito

  The resolution of the issue on stored energy and stored energy payments of the Bacon-Manito Geothermal Power Plant will be referred by PSALM to the Office of the General Corporate Counsel (OGCC) as agreed during the PSALM Board meeting on 09 December 2010. Upon initial review by PSALM, the stored energy is not included in the rights passed on to the winning bidder, BGI. The Asset Purchase Agreement (APA) does not provide for an assignment of the Steam Supply Contracts because the Energy Development Corporation (EDC) did not give its consent to the said agreement when PSALM requested the same before the bidding of the BMGPP. PSALM's position is for these rights to be given to BGI only upon BGI's payment of the stored energy.

  Annex 1 provides list of privatized NPC generating assets.

B. Transfer of NPC- IPP to IPPA

Of the successfully bidded-out IPP contracts, only the contract of the Benguet Mini-Hydro Plant remains to be transferred to the IPP Administrator/winning bidder, subject to the latter's acceptance of the condition for assignment set by the IPP operator. Based on the privatization plan submitted endorsed by the Joint Congressional Power Commission (JCPC) and approved by the Office of the President, IPPA privatization level reached 76.85 percent.

Annex 2 provides list of NPC-IPP contracts currently administered and managed by IPP Administrators.

C. Concession of the National Transmission Network

TransCo continuously conducts inspection of the transmission assets condition in accordance with the inspection protocol established under the Concession Agreement. The report of the inspection is then forwarded to the Concessionaire, the National Grid Corporation of the Philippines, for their appropriate action. For the report period, following is the summary of TransCo's inspection report:

Compliance with the Franchise Law (Republic Act 9511)

In accordance with Section 3 of the Franchise Law, TransCo conducted inspections on the transmission assets and found insulating medium leak in various power equipment, as in the case of oil leak in Clark, Olongapo and Botolan Substations and PCB SF6 gas leak in Concepcion and Subic Substations. TransCo likewise found operational alarms on electronic equipment installed at Concepcion Substation relay rooms such as protective relays, rectifiers, and recorders. Some of the abovementioned equipments are already scheduled for replacement.

Compliance with the Construction Management Agreement (CMA)

Based on the CMA, the construction manager (NGCP) shall implement, manage and administer the construction and completion of each Project Under Construction (PUC). The provisions of the CMA as well as of applicable PUC contracts apply in the implementation of the PUCs until completion and acceptance of the same by the Concessionaire. Upon completion, the PUC shall immediately form part of the Transmission Grid.

TransCo conducted inspection of PUCs in North Luzon particularly New Clark Substation, New Clark-Concepcion Transmission Line, Upgrading of San Manuel, Concepcion, Mexico Substation and Upgrading of San Manuel-Concepcion-Mexico Transmission Lines, and PUC contracts in Visayas namely Visayas PCB Replacement Project at Amlan, Bacolod and Mabinay, and in Mindanao namely Pitogo Substation, Sangali Substation and Sangali-Pitogo Transmission Line. The inspections were conducted with the participation/representative from the Commission on Audit as requirement to last billing of all government infrastructure projects. These projects were approved by the ERC for implementation during the Second Regulatory Period.

D. Sale of Sub-Transmission Assets (STAs)

The sale of Transco's sub-transmission assets involved 131 sale contracts and 107 interested distribution utilities, most of which are electric cooperatives. The sub-transmission assets include some 6,200 ckt-km of mostly 69 kV transmission lines and 1,600 MVA of substation capacity.

As of 31 April 2011, Transco has signed 83 sale contracts with 66 distribution utilities/electric cooperatives/consortia amounting to about 4.08 billion. These sales include an aggregate length of about 3,323 ckt-kms of sub-transmission lines and 30,200 sub-transmission structures. Of the 83 sale contracts, 36 contracts having an aggregate sales price of P 1.88 billion have been approved by the ERC. The rest of the sale contracts are for ERC filing, evaluation and approval. Of the 83 sale contracts, 36 contracts having an aggregate sales price of P 1.88 billion have been approved by the ERC. The rest of the sale contracts are for ERC filing, evaluation and approval.

TransCo extended concessional financing to electric cooperatives (ECs) by entering into lease purchase agreements in 53 sale contracts with 50 ECs/consortia, valued at about PhP2.9 billion.

On 15 December 2010, the ERC Issued Resolution No. 26, Series of 2010, entitled "*A Resolution Amending Section 5, Article V of Resolution Nos. 1 and 18, Series of 2009 Adopting the Amendments to the Guidelines to the Sale and Transfer of TransCo's Sub-transmission Assets and Franchising of Qualified Consortiums*". The said issuance is in consideration to the request by the Manila Electric Company (MERALCO), Batangas II Electric Company (BATELEC II) and First Bay Power Corporation (FBPC) to extend the deadline for the disposition of the Residual Sub-transmission Assets (RSTAs) of TransCo for a period of six (6) months until June 30, 2011. The ERC did consider the extension, which in effect is in accordance with the mandate under the EPIRA as follows:

- To ensure the quality, reliability, security and affordability of the supply of electric power;

- To enhance the inflow of private capital and broaden the ownership base of the power generation, transmission and distribution sectors; and

- The sub-transmission functions and assets shall be segregated from the transmission functions, assets and liabilities for transparency and disposal: Provided, that the STAs shall be operated and maintained by TransCo until their disposal to qualified DUs which are in position to take over the responsibility for operating, maintaining, upgrading and expanding said assets.

The ERC recognizes the difficulty in forming a consortium, thus, it granted the request and extended the deadline until 31 December 2011 to give ample time to interested DUs to acquire RSTAs.

Also in December 2010, PEPOA, MERALCO, Davao Light and Power (DLPC) and Davao del Sur Electric Cooperative (DASURECO) filed a petition before the ERC proposing for a revision to the Guidelines on the Sale of Sub-transmission Assets and Franchising of Qualified Consortiums. In the said petitions, the petitioners both propose to revise the definition of "Consortium" wherein they suggest that a consortium need not necessarily create a new entity in order to buy a sub-transmission asset from TransCo. In effect the changes in the definition will also include changes in Section 6 of Article V and Section 1 and 4 of Article VI of the Guidelines.

The grounds for the amendments as petitioned are the following:

- The amendment would serve the mandate of the EPIRA to sell the Sub-transmission assets to qualified DUs and would provide another efficient manner by which two or more DUs connected to a sub-transmission asset acquire the said asset in accordance with the EPIRA.

- It would provide more time for the qualified DUs to negotiate and purchase the assets in accordance with the EPIRA

- It would allow DUs to charge fair and reasonable rates from the time the assets become responsibility of the DUs.

The said petitions are already posted at the ERC website inviting the public to comment.

III. ELECTRICITY RATES

The DOE continuously monitors data on electricity rates to provide the JCPC and the public an idea on the latest information on electricity rates. This section considers the reports submitted by the ERC and also the data and information which are gathered by the DOE from various sources to fully substantiate and provide the JCPC with significant updates to serve as reference in identifying areas that may require legislative actions.

A. PSALM/NPC Effective and Basic Generation Charges

PSALM/NPC is continuously implementing the March 2009 provisionally approved Basic Generation Charges (BGC) pending ERC decision on the proposed Asset Valuation Guidelines. Meanwhile, the NPC Average Effective Rate for the report period is summarized in Table 1.

NPC Effective Generation Charges (EGC) for the billing months November 2010 to April 2011 in Luzon and Visayas increased by of PhP0.0585/kWh and PhP0.0766/kWh, respectively. On the other hand, NPC-EGC for Mindanao declined by PhP0.2442/kWh as reduction to its DAA-ICERA .

Table 1 - NPC Effective Generation Charges (PhP/kWh)

Billing Month	Billing Period	Luzon	Visayas	Mindanao
November 2010	26 October 2010 - 25 November 2010	4.6201	4.0230	2.9193
December 2010	26 November 2010 - 25 December 2010	4.6484	4.0890	2.6651
January 2011	26 December 2010 - 25 January 2011	4.6576	4.0967	2.6665
February 2011	26 January 2011 - 25 February 2011	4.6602	4.0967	2.6692
March 2011	26 February 2011 - 25 March 2011	4.6727	4.1004	2.6729
April 2011	26 March 2011 - 25 April 2011	4.6786	4.0996	2.6751

Relative to pending NPC petition for the recovery of its costs under the deferred accounting adjustments, on 15 November 2010, the ERC issued its decision on the 9th to 14th Incremental Costs on Foreign Currency Exchange Rate (ICERA) Fluctuation covering the test period January 2007 to June 2009. The said decision approved for refund adjustments to Luzon and Mindanao customers while a recovery was approved for Visayas grid.

Considering that some of the NPC's generation assets involved in the said ICERA petitions were already transferred to various Successor Generation Companies (SGCs), the ERC likewise ordered to be responsible for the collection/refund of the DAA incurred by NPC after the closing date of its Asset Purchase Agreement (APA) which was computed by the ERC as refund from Pantabangan and Magat in the amount of PhP0.2948/kWh and PhP0.2401/kWh, respectively, and collection of under-recovery by Masinloc in the amount of PhP0.1818/kWh.

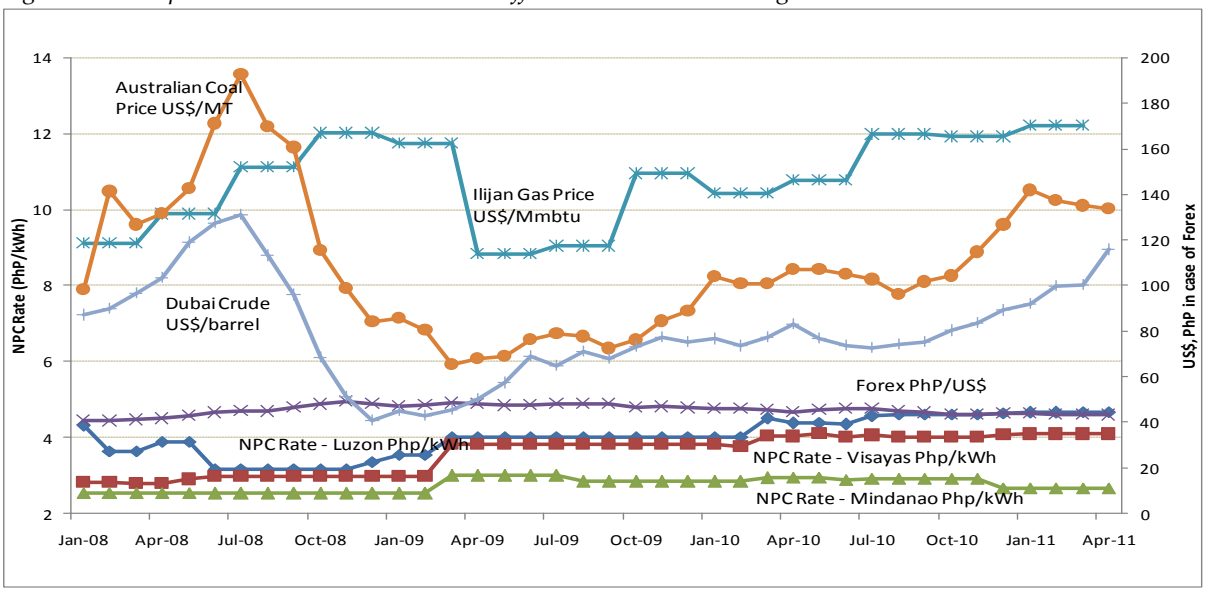
Table 2 – ERC Approved ICERA Recovery

Grids	Period Covered	Application	DAAs Approved		Recovery Period
			Amount	PhP/kWh	
Luzon	Jan 2007-June 2009	9th-14th ICERA	(6,579,049,134.76)	(0.3444)*	9 months
Visayas			800,513,196.51	0.0865	20 months
Mindanao			(1,709,708,310.28)	(0.2557)	9 months

*includes amount to be reimbursed by SGCs

Despite increases in the price of fuels for the report period, NPC's average effective rate remained stable on account of the ERC decision for NPC to refund over-recoveries on foreign exchange. As can be gleaned from Figure 1, prices of coal, crude oil and natural gas reflected significant increases during the period November 2010 to April 2011, however, despite the adjustment for the recovery of increases in fuel prices as allowed by ERC, NPC's average effective rate remained at almost the same level as the increase was offset by NPCs refund for its over-recovery on foreign exchange cost components.

Figure 1 – Comparative Fuel Prices and NPC Effective Generation Charges



B. Transmission Rates

Following are the developments on the transmission rates charges imposed by the NGCP as approved by the ERC:

- Maximum Annual Revenue Approval

  The ERC approved on 22 November 2010 the Final Determination of the Maximum Annual Revenue (MAR) of the NGCP for the 3rd Regulatory Period (3rd RP) covering the years 2011 to 2015 in the amount of PhP198,809.07 million, which was PhP92,269.63 million lower than the than PhP291,078.70 million originally applied for by NGCP.

  The approved revenue requirement is inclusive of the transmission under-recoveries carried-over from the 2nd regulatory period covering the years 2006 to 2010. The ERC estimated that the monthly charge for transmission will have a continuing decrease from 2011 until 2015. The decrease in transmission charges is due to the lower revenue requirement determined by the ERC compared to what NGCP applied for. The ERC noted that the NGCP can still operate efficiently even with a lower operating budget. The NGCP experienced a demand growth that pushed up its billing determinant. From PhP372.38 per month average rate in 2010, the ERC computed the estimated monthly transmission charge to be PhP364.75 in year 2011; PhP362.43 in year 2012; PhP360.50 in year 2013; PhP359.37 in year 2014; and PhP358.39 in year 2015.

  The ERC also approved the adoption of the same performance incentive scheme (PIS) as that for the 2nd regulatory period. However, more stringent targets were imposed to significantly improve the quality of transmission service. New performance indicators

were also incorporated such as congestion availability indicator (ConA), ancillary services availability indicator and customer satisfaction indicator.

On 17 January 2011, the ERC provisionally approved the NGCP's MAR for the calendar year 2011 in the amount of PhP46,284.78 million. This translates to a decrease in the NGCP's indicative equivalent monthly transmission charge to its customers by an overall average of PhP2.64/kW from PhP366.92/kW in 2010 to PhP364.27/kW in 2011. On per grid basis, the average monthly reduction will be PhP2.38/kW for Luzon; PhP0.09/kW for Visayas and PhP6.61/kW for Mindanao. These charges which were implemented by NGCP since January 2011 billing are inclusive of the PIS reward, the power delivery service (PDS) charge, system operator charge and metering service provider charge.

Meanwhile, NGCP's application for the rate translation of its MAR for CY 2011 is still under evaluation by ERC as of April 2011.

- Customer Satisfaction Survey for NGCP

  In relation to its measurement of NGCP's PIS targets particularly on customer satisfaction of the level of service it provides, the ERC requested interested parties to submit a Proposal for the Conduct Customer Satisfaction Survey of the NGCP. The survey which will be administered by an independent market research organization (MRO), will ask customers a series of questions related to NGCP's performance and will be structured in a manner that allows the answers to be quantified into an overall satisfaction indicator. The customer satisfaction indicator for each grid will be the average of the satisfaction indicators from all responses received from customers connected to that grid. The ERC targets the final result of the survey to be released by August 2011.

- Recovery of National Franchise Tax

  The ERC likewise allowed NGCP's recovery from its customers the franchise tax obligation pursuant to Republic Act No. 9511[1] through ERC issued Resolution No. 07 Series of 2011 which approved and adopt the inclusion of the three (3) percent national franchise tax billed by NGCP as part of the DUs monthly transmission cost in the Transmission Rate Adjustment Mechanism (TRAM) formula.

C. Distribution Utilities (DUs) Rates

The following discussions provide updates on the electricity rates for the month of November 2010 to April 2011 as well as related developments on regulatory actions, with rate cases being under the exclusive jurisdiction of the ERC.

1. Average Effective Electricity Rates

The country's total average effective electricity rates as of March 2011 was estimated at PhP9.00/kWh, PhP0.013/kWh higher compared with the December 2010 average effective electricity rate. Among the three major grids, Luzon has the highest average effective electricity rates at PhP9.84/kWh while Mindanao remains the lowest at PhP6.70/kWh for March 2011.

[1] RA 9511 requires NGCP to pay 3% Franchise Tax in lieu of all other taxes except realty taxes

The ECs' national average effective electricity rates for March 2011 was estimated at PhP8.46/kWh, a slight increase of PhP0.10/kWh from the December 2010 level. Generation costs comprised 44 percent of ECs' national average effective electricity rates followed by distribution costs share of 25 percent of the total. The largest average reduction in ECs' rates was noted in Mindanao grid at PhP0.21/kWh from PhP7.10/kWh in December 2010 to PhP6.89/kWh in March 2011. Mindanao likewise posted the lowest generation costs at PhP2.51/kWh comprising only 36.4 percent of the average effective residential electricity rates.

Table 3 - Average Effective Residential Electricity Rates, December 2010 vs. March 2011 (PhP/kWh)

Grid	Electric Cooperatives			Private Distribution Utilities			National Average		
	December	March	Change	December	March	Change	December	March	Change
Luzon	9.3271	9.8970	0.5699	10.0836	9.7870	-0.2966	9.7054	9.8420	0.1366
Visayas	8.6472	8.5908	-0.0564	7.6519	7.7952	0.1433	8.1496	8.1930	0.0434
Mindanao	7.1027	6.8904	-0.2123	6.3183	6.5059	0.1876	6.7105	6.6982	-0.0123
Philippines	8.3590	8.4595	0.1005	9.6167	9.5422	-0.0745	8.9879	9.0009	0.0130

Sources: : ECs – NEA's Quarterly Unbundled Power Rate Schedules
PDUs –Monthly Operations Report

Table 4 - EC's Unbundled Average Effective Residential Electricity Rates, March 2011 (PhP/kWh)

Bill Subgroup	LUZON		VISAYAS		MINDANAO		NATIONAL	
	PhP/kWh	Percent share	PhP/kWh	Percent share	PhP/kWh	Percent share	PhP/kWh	Percent share
Generation	4.7482	47.98	3.8955	45.34	2.5084	36.40	3.7174	43.94
Transmission	1.2545	12.68	1.2149	14.14	1.5235	22.11	1.3310	15.73
System Loss	0.8977	9.07	0.7017	8.17	0.5775	8.38	0.7256	8.58
Distribution *	2.1758	21.98	2.2002	25.61	1.9052	27.65	2.0937	24.75
Subsidies	0.0853	0.86	0.0940	1.09	0.0665	0.96	0.0819	0.97
Government Taxes	0.7354	7.43	0.4845	5.64	0.3094	4.49	0.5098	6.02
Total	9.8970	100.00	8.5908	100.00	6.8904	100.00	8.4595	100.00

** Includes Distribution, Supply and Metering Charges*
Source: ECs' submission of their unbundled effective rates to NEA

The national average effective residential electricity rates of private distribution utilities (PDUs) decreased by PhP0.07/kWh from PhP9.62/kWh in December 2010 to PhP9.54/kWh in March 2011. The highest reduction was noted in the Luzon grid at PhP0.30/kWh. Among the PDUs, Manila electric Company (MERALCO) has the highest average effective rate for the residential customers at PhP9.87/kWh for the billing period March 2011. On the other hand, Iligan Light & Power, Inc. (ILPI) has the lowest average effective residential rates at PhP5.50/kWh for the same billing period.

Table 5 – PDUs Average Effective Rates (AER), March 2011 (PhP/kWh)

PDU	Residential	Commercial	Industrial	Average
MERALCO	9.8753	8.8914	7.2288	8.0763
DECORP	8.6251	8.3637	7.9571	8.4347
LUECO	8.1990	8.8124	8.5443	8.4557
SFELAPCO	8.0565	8.4552	6.4582	7.5022
MECO	6.4948	6.0179	6.7992	6.4646
VECO	8.1025	8.2667	6.6415	7.3168
BLCI	6.7772	6.6711	-	6.6850
CEPALCO	7.1464	6.7454	5.5174	6.2686
COLIGHT	5.9505	6.4360	5.3907	5.7763
ILPI	5.5016	5.6989	7.3903	5.5778
Average	**9.5422**	**8.7917**	**7.0937**	**8.5049**

Note: Based on Monthly Operations Report submitted by Private DUs (AER = Revenue over Sales)

Table 6 - Summary of MERALCO Residential Unbundled Power Rates, March 2011

BILL SUBGROUP	0 to 200 kWh (P/kWh)	%	201 to 300 kWh (P/kWh)	%	301 to 400 kWh (P/kWh)	%	Over 400kWh (P/kWh)	%
Generation	4.8834	55.5	4.8834	53.0	4.8834	50.9	4.8834	47.6
Transmission	1.0409	11.8	1.0409	11.3	1.0409	10.8	1.0409	10.1
System Loss	0.6415	7.3	0.6415	7.0	0.6415	6.7	0.6415	6.2
Distribution	2.0307	23.1	2.4390	26.5	2.8242	29.4	3.4950	34.0
Subsidies*	0.1566	1.8	0.1566	1.7	0.1566	1.6	0.1566	1.5
Universal Charge	0.0479	0.5	0.0479	0.5	0.0479	0.5	0.0479	0.5
TOTAL**	8.8010	100.0	9.2093	100.0	9.5945	100.0	10.2653	100.0

Source: MERALCO Website
** Lifeline Rate Charges (applicable to 101 kWh consumption and up) + Cross Subsidy Charge*
** *Excluding Government Taxes (VAT)*

For March 2011 billing, MERALCO's effective residential rates for the different residential customer classes ranged from PhP8.80/kWh to PhP10.26/kWh of which the highest component was generation costs at PhP4.88/kWh. Meanwhile, MERALCO distribution charges for its different residential customer classes comprised 23 percent to 34 percent of the total effective residential rates equivalent to PhP2.03/kWh and PhP3.50/kWh, respectively.

2. Regulatory Actions

The following report on regulatory actions on electricity rates are based on ERC issuances as gathered in the ERC website.

a. Private Distribution Utilities

The ERC continued to adopt phased implementation of Performance-Base Rate Methodology for PDUs to Rules for Setting Distribution Wheeling Rates (RDWR). Following are the updates:

1st Entry Group (MERALCO, DECORP, CEPALCO)

Relative to its application on April 5, 2010 for its rates for the regulatory year (RY) 2011 wherein Manila Electric Company (MERALCO) asked for a (Maximum Average Price) MAP of Php2.6493, the ERC issued its decision dated January 4, 2011 setting MERALCO's 2011 MAP at PhP1.6464/kWh.

The 1st Entry Group will be entering the 3rd Regulatory Period. These PDUs, on various dates in June 2010, filed their respective applications for approval of their Annual Revenue Requirement (ARR) and Performance Incentive Scheme (PIS) for the Third Regulatory Period commencing on July 1, 2011 and terminating on June 30, 2015 in accordance with the provisions of the Rules for Setting Distribution Wheeling Rates (RDWR). The ERC is yet to issue its final determination on such applications after conducting complete evaluation thereof.

2nd Entry Group (MECO, ILPI,CLPC)

On various dates in December 2010, the 2nd Entry Group PDUs filed their applications for the approval of rate translation for MAP RY2012 into Distribution Rates of different customer classes for the Second Regulatory Period of the ERC-approved Annual Revenue Requirements under the PBR for the RY 2009-2013.

MECO, CLPC and ILPI presented documentary and testimonial evidence in support of its application. To date, ERC is still in the process of reviewing submitted documents and testimonies and once evaluation is completed, the appropriate rates of these PDUs will be approved by the Commission.

3rd Entry Group (LUECO, TEI, CELCOR, IEEC, VECO and DLPC)

All six PDUs rates under this group were approved by the ERC last June 2010.

b. Electric Cooperatives

- On-Grid Electric Cooperatives

Pursuant to Article 7 (Tariff Glide Path Provision) of the Rules for Setting the Electric Cooperatives' Wheeling Rates (RSEC-WR), the ERC subjected the Revised Rules on the Tariff Glide Path (TGP) for public consultation.

The proposed revised RSEC-WR TGP governs the movement of the initial tariffs caps which refer to the maximum rates for Distribution, Supply, and Metering. It includes the (1) escalation factor that will be used in adjusting the rates to reflect the combined impact of inflation and load growth; (2) efficiency factor to account for the operational efficiency of the ECs in setting their rates; and (3) performance incentive that will either reward or penalize the EC for performing above or below the performance standard.

Under the proposed revised TGP Rules, the Regulatory Period will now be six (6) years and will impact the rates by the 4th year of the First Regulatory Period. The implementation of the TGP will be done by batch as arranged into three (3) Entry Groups (1st, 2nd, and 3rd Entrants). The filing for the rate adjustment resulting from the TGP implementation will be done on the 3rd year of the First Regulatory Period. The Reset Process from the TGP implementation for data collection will be in 2011 to 2014 and the new classification will be effective in 2017.

To date, public consultations and submission of comments on the Draft TGP are still on-going.

- Off-Grid Electric Cooperatives

Relative to the rate-setting for off-grid ECs, the ERC sought the public's comments on the Issues Paper on the Proposed Alternative Regulatory Framework for Electric Cooperatives (ECs) Servicing Off-Grid Areas. The Issues Paper, which will be subjected to public consultation, aims to implement a more responsive regulatory framework to the operations of off-grid ECs considering the challenges they face in servicing isolated and sparsely populated areas. The Issues Paper will be used to analyze selected financial parameters which can provide basis on determining appropriate regulatory framework for off-grid ECs.

D. Administration of Universal Charge (UC)

This section provides development on the implementation of UC pursuant to Section 34 of the EPIRA. Highlights include status of collection and disbursements, updates on PSALM's

application for the recovery of stranded contract costs and stranded debts, and the implementation of UC collection from self-generating facilities.

1. Total Collections/Disbursements for UC-ME and UC-EWR

For the report period, PSALM received total UC remittances of PhP 815.0 million. Cumulative total collections/ remittances to PSALM as of 30 April 2011 amounted to PhP18.085 billion, PhP17.528 billion of which was disbursed by PSALM to NPC for missionary electrification and environment and watershed rehabilitation in accordance with the provisions of the EPIRA. Total interest earnings from deposits and placements of UC funds amounted to PhP 9.6 million. UC balance is recorded at PhP 653.0 million.

Table 7 - UC Collections & Disbursements, As of 30 April 2011 (In Billion PhP)

Particulars	Collections/ Remittances	Disbursements	Balances
Missionary Electrification	17.160	17.189	0.014
Environmental Charge	0.925	0.339	0.639
Total:	**18.085**	**17.528**	**0.653**

Source: PSALM

2. UC for Stranded Contract Costs (SCC) and Stranded Debts (SD)

On 15 November 2010, the ERC dismissed the UC-SCC and UC-SD petitions filed by PSALM in 2009 and 2010, on account of the deficiencies it noted in the petitions as well as failure on the part of PSALM to submit pertinent documents to support its allegations and prayers. The ERC observed that PSALM's calculation of SCC included fuel costs, the recovery of which is governed by a separate mechanism. On the other hand, according to the ERC, it noted significant differences and inconsistencies in the calculation of the proceeds of the sale of NPC's generation plants in PSALM's petition for recovery of stranded debts. The ERC dismissal of the case was without prejudice to the re-filing by PSALM to claim SCC and SD after conforming to the pertinent ERC regulations.

Meanwhile, after subjecting to due deliberation and public hearing, the ERC issued on 07 February 2011, Resolution No. 2 Series of 2011 containing its approval on the proposed Amendment to the Rules for Recovery of the NPC Stranded Contract Cost and Stranded Debts Portion of the Universal Charge. Significant changes include:

- Imposition of an application period deadline for PSALM to file on or before 15 March 2011the amounts for recovery of SCC and SD for the year ending 31 December 2010, CY 2007, CY 2008 and CY 2009.

- Application deadline for true-up on or before 15th March of every year. Failure by PSALM to file on the said deadline shall result to an automatic forfeiture of the right to claim any resulting under recovery and such amount shall not be allowed to be recovered in subsequent recovery years. On the other hand, in case of surplus and PSALM fails to file for over-recovery, it shall be subjected to the imposition of appropriate fines and penalties.

- From a by grid recovery basis, ERC shall now enforce a uniform recovery of the Stranded Contract Costs through the UC as a uniform rate to all End-users

- Inclusion of the Net sales of NPC-Small Power Utilities Group (NPC-SPUG); and the total assumed kilowatt-hours (kWh) generation of the self-generating facilities registered with the ERC and PSALM in the total electricity sales that will be used as basis for determining the amount of UC for SCC .

3. UC for Environmental and Watershed Management

The ERC currently conducts evaluation on the NPC petition for the approval of the proposed *Rules and Procedures Governing the Utilization and Disbursements of the Universal Charge– Environmental Char*ge (UC-EC) which aims to establish a process for the following:

- Management of the UC-EC by NPC;
- Utilization of the UC-EC solely for watershed rehabilitation and management;
- Use of any savings in the Special Environmental Fund Account (SEFA); and
- Provision of information to NPC for its compliance with its obligations for the management of the UC-EC.

4. UC Imposition on Self-Generating Facilities (SGFs)

As a result of the consultations it conducted regarding the collection of UC from SGFs, PSALM submitted to the ERC its proposed *Guidelines and Procedures Governing the Imposition of Universal Charge to Self-Generating Facilities*. ERC is yet to respond on the matter.

The proposed *Guidelines* have the following salient features:

- The UC shall be imposed for SGFs that are registered under a single name with the Securities and Exchange Commission (SEC), whose total rated capacity is at least one (1) MW, and is located in one (1) franchise area. Likewise, it can either be connected or not connected to a distribution system such as but not limited to government agencies/institutions and industrial enterprises; locators, developers, operators, and facilities with SGF operating in Economic Zones; those having the purpose of using the energy generation output for its start up, maintenance or plant shutdown; and other self-generation entities which may later on identified by the ERC.

- Distribution Utilities (DUs), Suppliers and TRANSCO or its Concessionaire will act as the collecting agents for the UC on SGF.

- Aside from households, clinics, hospitals and other medical facilities additional exemptions is also given to SGFs which generates power and electricity through the Renewable Energy Systems (RES) and those participating to the Uninterruptible Load Program (ILP), duly supported by a certification from the concerned DU.

- In ease of collection, SGFs with Time-of-Use (TOU) Statistical Meters shall provide access to the DUs or TRANSCO/Concessionaire to determine the SGF's energy generation output during the billing period. In the absence of a TOU/statistical meter, or in cases where the meter is defective, the SGF shall provide the DU or TRANSCO/Concessionaire or Supplier with information under oath of its energy generation output. Such SGF shall be liable for any misrepresentation of information they provide.

- SGFs shall be imposed with all of the UC components i.e. Stranded Debt (SD) and Stranded Contract Costs (SCC), Missionary Electrification, Environmental Charge etc. Payment for UC from SGFs shall be collected on the same day when payment for power account is due; and shall be deposited to PSALM's Main Trust Account.

E. Assumption of Loans of Electric Cooperatives

As of 30 April 2011, PSALM has paid a total of PhP11.989 billion worth of financial obligations of ECs to National Electrification Administration (NEA), local government units (LGUs) and other government agencies (OGAs).

Table 8 – Status of Loan Condonation as of April 2011 (Billion PhP)

	Total Assumption	Actual Payments		Balance	
		Amount	%	Amount	%
NEA	17.978	11.911 1/	66.2	6.067	33.8
LGU/OGA	0.096	0.077 2/	80.2	0.019	19.8
TOTAL	18.074	11.989	66.3	6.086	33.7

1/With application of the PhP2.215 Billion collection of NEA from ECs amounting to PhP369.6 million
2/ Net of discount from the Provincial Government of Palawan amounting to PhP3.7 million
Source: PSALM

Of the PhP11.91 billion total payments to NEA as of 30 April 2011, 75.2 percent was used to pay for rural electrification loans incurred by the ECs, 15.4 percent was for Mini-hydro loans, 9.2 percent was for Dendro Thermal loans and only 0.1 percent was used for house wiring loans.

Table 9 - Payments to NEA per Type of Loan

Type of Payment	Amount Paid (In PhP)	Percentage to Total
Rural Electrification Loan	8.958	75.2
Mini-hydro	1.836	15.4
Dendro Thermal	1.108	9.3
House wiring	0.009	0.1
TOTAL	**11.911**	**100.0**

Source: PSALM

Meanwhile, the ERC reported that Final Loan Condonation Orders were already superseded by the RSEC-WR Orders it issued. In the said Orders on RSEC-WR, the debt amortization components for the condoned loan were already excluded in the determination of the revenue requirement allowed for the ECs. Consequently, the implementation of the ECs' reduction in rates due to the Final Loan Condonation already ceased.

F. Mandatory Rate Reduction

Pursuant to Section 72 of the EPIRA, NPC continuously grant to residential customers the mandatory discount of 30-centavos/kWh. For the period September 2010 and March 2011, total discounts granted by NPC amounted to PhP754.02 million of which 56.7 percent were availed by residential customers in Mindanao, 29.2 percent in the Visayas and 14.2 percent in Luzon. Of the total MRR granted in Luzon, 64.8 percent were availed by MERALCO residential customers.

Table 10 - Monthly Amount Incurred by NPC for the Grant of MRR September 2010 to March 2011

Billing Month	MERALCO	REST OF LUZON	TOTAL LUZON	VISAYAS	MINDANAO	TOTAL
Sept 2010	8,625,603	6,891,673	15,517,276	35,104,383	57,349,653	107,971,312
Oct 2010	9,210,107	6,795,057	16,005,164	33,663,960	58,237,765	107,906,889
Nov 2010	8,996,042	6,614,180	15,610,221	32,882,419	62,022,300	110,454,940
Dec 2010	7,929,051	1,951,050	9,880,101	32,407,720	78,841,736	121,129,557
Jan 2011	12,866,369	7,225,029	20,091,398	35,947,500	61,143,896	117,182,793
Feb 2011	11,901,725	4,185,133	16,086,858	26,155,577	57,774,814	100,017,249
Mar 2011	9,768,216	3,969,709	13,737,924	23,742,284	51,874,251	89,354,460
TOTAL	**69,297,113**	**37,631,829**	**106,928,942**	**219,903,844**	**427,244,414**	**754,017,199**

Source: NPC

G. Lifeline Rate Subsidy Program

Pursuant to Section 73 of the EPIRA, the lifeline rate subsidy shall be implemented for a period of ten (10) years. In view of its expiration on 26 June 2011, the tenth year of the EPIRA implementation, both Houses of Congress filed a proposal to amend Section 73 for additional period of ten years with additional criteria of who will be eligible for discounts on their electricity bill to ensure that only qualified poor households will benefit from the subsidy. Both proposals redefine marginalized end-users as those whose electrical loads are limited only to basic lighting, cooling (electric fan), radio and television.

IV. COMPETITION

This section provides an update on key areas of competition to include the operation of the WESM, preparation for retail competition and open access, and monitoring of compliance to Section 45 of the EPIRA.

A. Wholesale Electricity Spot Market Implementation

After 57 months of commercial operation, WESM in Luzon has now integrated its operation with the Visayas WESM after its commercial operation on 26 December 2010. As of April 2011, the integrated WESM has 110 participants comprised of 49 generating companies and 61 customer trading participants. There are 51 applications being evaluated mostly in Luzon, composed of 50 customers and 1 generating company, Bacman Geothermal, Inc. (Bacman Geothermal Power Plant).

1. Highlights of Commercial Operations

For the period October 2010 to March 2011, the average demand of 5,568 MW was recorded, however, due to the integration of Visayas WESM commercial operation in December 2010, the peak demand was recorded at 8,220 MW on 21 March 2011. Energy offers submitted by the WESM-registered generators in the Luzon and Visayas grids for the period was at a minimum of 5,986 MW in October 2010, when WESM Visayas was not yet in operation however the highest average energy offer of 8,556 MW was recorded in March 2011.

During the first three months of commercial operation of WESM in Visayas, average demand was at 972 MW. Demand peaked at 1,307 MW in March 2011. Energy offers submitted by the WESM-registered generators for the month was at an average of 1,243 MW. Average capacity on outage in the Visayas Grid for January was at 211 MW, 165 MW in February while there is no available data for March 2011.

2. Visayas WESM

Following are the milestones in the implementation of WESM in the Visayas:

- 26 November 2010 – issuance of DOE Department Circular No. 2010-11-0012 declaring the commercial operation of the WESM in the Visayas Grid and its integration with the Luzon Grid.

- 16 December 2010 - ceremonial soft launch held in Bacolod City, Negros Occidental.

- 26 December 2010 - following the submission by PEMC of a certification attesting that all necessary systems and procedures are in place, the commercial operation of WESM in the Visayas officially commenced, and the market integration of the Luzon and Visayas grids executed.

- 14 January 2011 – conduct of the first WESM Visayas Participants Meeting in Cebu to discuss the concerns of electric cooperatives in Visayas over the WESM.

- 17-21 January 2011 – PEMC's conduct of Ad Hoc Billing and Settlements Training to Visayas Stakeholders covering the following topics: settlement processes and the settlement timeline, participant responsibilities, settlement amounts and processes during pricing error and market re-run conditions, and the Wholesale Billing and Settlement System (WBSS), which is the new software system for settlement and metering calculation, data management, and reporting.

3. Status of Pending ERC Regulatory Filings

- Approval of the level of the market fees for the WESM

    - In relation to its application for the approval of the level of market transaction fees for CY2010 to 2011, inclusive of the additional market fees needed to cover the cost of the MMS Migration, filed in July 2010, the ERC ordered PEMC to file a new application to supplement its market fee rate to include the cost of running the WESM in the Visayas.

    - In compliance with the said ERC Order, PEMC filed a manifestation on 7 February 2011 indicating that it will file a separate market fees application to cover the incremental costs of operating WESM in the Visayas. However, so as not to delay the resolution of the Application, PEMC prayed that its attached Formal Offer of Evidence be admitted and that the Application be submitted for decision. Any over or under recovery by virtue of the WESM Visayas filing shall be reconciled with the approvals secured in the case. The market transaction fees are assessed on generators trading in the WESM to defray the costs of operating and administering the WESM.

- MMS Migration

    - On 19 July 2010 - the ERC issued an Order authorizing PEMC to collect the amount of PhP331.483M for a period of five (5) years at an annual market fee rate of PhP0.0015/kWh for the MMS Migration project

    - PEMC filed a Motion for Partial Reconsideration praying for authority to collect PhP331.483M during CY2010.

    - The ERC denied PEMC's Motion in an Order dated 4 October 2010.

    - On 4 February 2011, PEMC filed a Manifestation and Motion informing the ERC of the decision not to pursue the MMS Migration Project and to instead undertake the New MMS Project (NMMS). PEMC manifested that it shall file an application for the NMMS. However, to ensure the continued operations of the system, PEMC prayed that it be allowed to retain the amounts set aside

for the MMS Migration Project to be applied to the NMMS, subject to reconciliation upon approval of the market fees for the latter.

- On 7 March 2011, the ERC issued an Order denying PEMC's Manifestation and Motion and instead directed PEMC to: (1) refund, over a period of one (1) year, the collected cost for the MMS Migration and unutilized revenues in CY 2009 with carrying cost, in the equivalent amount of PhP268M; (2) cease from collecting PhP0.0015/kWh from market participants; (3) submit its proposed refund scheme; and, (4) submit documents to determine the reasonableness and necessity of procuring the New the MMS.

- Approval of the Pricing and Cost Recovery Mechanism for Reserves in the Philippine Wholesale Electricity Spot Market

  - PEMC is continuously complying with the additional requirements by ERC on its application for the approval of the Pricing and Cost Recovery Mechanism for Reserves.

  - In relation to the PEMC filing last 5 June 2009 for the Approval of the Phased-In Implementation of the WESM PCRM for Reserves, the ERC issued an Order on 15 November 2010, deferring the implementation until the directives embodied in its 7 July 2008 Order have been complied with. PEMC was further directed to submit monthly reports on the status of its accomplishments with respect to the ERC's directives.

  - On 18 March 2011, PEMC filed an Omnibus Motion praying for reconsideration of the ERC Order for NGCP be impleaded as party considering the requisites provided by ERC should be accomplished by NGCP

- Amendments to the Price Substitution Methodology

  - On 18 February 2011, PEMC filed a Supplemental Application for the approval of the following pricing mechanisms, which are not covered by the 16 February 2009 Decision and 17 August 2009 Order of the ERC in the original PSM application: (1) inclusion of formula for determining customer substitute prices that will be used when the ex-ante run is affected with non-congestion pricing error while the ex-post run is affected with congestion pricing error; and (2) inclusion of price threshold if the resulting MCPH is equal to zero.

  - In an Order dated 21 March 2011, the ERC set the Supplemental Application for jurisdictional, pre-trial and evidentiary hearings on 27 and 28 April 2011.

4. WESM Governance

Following is the summary of the significant activities conducted by the different PEM Committees during the report period:

- Market Surveillance Committee, among others, has endorsed Requests for Investigation (RFI) on the possible non-compliance with Real Time Dispatch Schedules/Instructions by two (2) trading participants (TPs) for various trading interval dates in 2008. Said RFI was approved and endorsed by PEM Board to the ECO for investigation.

- Dispute Resolution Group (DRA) is currently handling the complaint filed against PEMC by 1590 Energy Corporation (1590 EC) seeking the recovery of approximately Php 143 million representing alleged negative variances between its offered prices and PEMC's final settlement prices. In relation to its determination of the reasonable costs and fees of dispute resolution, the DRG sought the assistance of the Market Assessment Group for the conduct of simulation in simulating possible schedule of fees with due consideration of the actual volume of WESM transactions.

- Rules Change Committee (RCC) approved general amendments to the WESM Rules on: 1) Dispatch Protocol and the Procedure for Determining Ex-Post Nodal Energy Prices (Removal of Contingency List from the Ex-Post (RTX) Process); 2) New WESM Manual on the Criteria and Guidelines for the Issuance of Pricing Error Notices and Conduct of Market Re-Run; and 3) Administered Price Determination Methodology Manual. These proposals were subsequently approved by the PEM Board during its 28 April 2011 meeting. The RCC likewise deliberated the following rules change proposals: 1) Proposed new WESM Manual on Registration, Suspension and Deregistration Criteria and Procedures; and, 2) amendments to the WESM Rules and Billing & Settlement Manual; and)

- Technical Committee is finalizing its position paper on the generator's technical parameters. As of the report period, based on the advise of the DOE, it started its review/study on Forced and scheduled outages including deactivated and reserve shutdown; and WESM Manual on the System Security and Reliability Guidelines

  .

- PEM Audit Committee (PAC) embarked on preliminary activities for the conduct of the 2nd Independent Operational Audit of the Systems and Procedures on Market Operations. As of the report period, PAC is in the process of selecting the External Auditor among the shortlisted entities.

5. *Termination of the Default Wholesale Supplier (DWS) and Implementation of the Disconnection Policy*

The DWS is an interim measure implemented by the DOE upon the commencement of the commercial operation of the WESM in Luzon to ensure the smooth transition from the pre-WESM supply arrangements. The inability then of the ECs to comply with certain technical and financial prerequisites for membership in the WESM prompted the DOE to issue Department Circular No. 2006-06-009 designating the NPC and PSALM to be the DWS to cover the imbalances of the customers in the WESM. Pursuant to the said Circular, the DWS arrangement will be effective for a period of one year to give ample time to the DUs particularly the ECs prepare for the new market environment. However, with the subsequent issuances of the ERC extending the period of implementation for the DWS, the said arrangement put NPC to further financial strain while making the ECs dependent for their source of power. These issues then called for the termination of the DWS policy and subsequent implementation of the disconnection policy.

Last 06 May 2010, the DOE issued DC No. 2010-05-006 terminating the DWS Arrangement and declaring a Disconnection Policy. This Circular became effective on 27 May 2010 relieving both NPC and PSALM from their designation as Default Wholesale Suppliers. As provided in the circular, the termination of the DWS Arrangement shall apply only to the grid where WESM is operational.

The ground for disconnection is pursuant to Section 2.2.4.2 of the WESM Rules, stating that all persons or entities who fail to register with the WESM within ninety (90) days from the effectivity of the Circular shall be disconnected from the grid.

The termination of the DWS arrangement and the disconnection policy are subjected to a transition period of ninety (90) days from the effectivity of the DOE Circular. By the said period, all DUs, generation companies, and other entities connected to the grid, were directed to register with the WESM. Failure to comply with this requirement shall result in the disconnection of the concerned entity. Further, any DU which has arrearages with NPC and PSALM at the time of the effectivity of the Circular, shall be allowed to register in the WESM, provided that such DU shall settle its arrearages or enter into a restructuring agreement with NPC and PSALM within ninety (90) days transition period.

On 23 August 2010, the DOE issued Circular No. 2010-08-0010 prescribing the implementing rules and procedures for the termination of the DWS arrangements and the disconnection policy. The issuance of the Circulars facilitated significant improvements in the status of registration in the WESM as shown in Table 11.

Table 11: WESM Registration Status Before and After the Issuance of DOE-DC No. 2010-08-0010

CATEGORY	WESM REGISTRATION STATUS AS OF MAY 31, 2010 (Prior to the issuance of DWS Arrangement Termination and Disconnection Policy)			WESM REGISTRATION STATUS AS OF OCTOBER 31, 2010 (During the implementation of the DWS Arrangement Termination and Disconnection Policy)			
	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	TOTAL	INTENDING PARTICIPANTS
Generators[1]	19	1	**20**	20	2	**22**	8
ECs	16	7	**23**	19	10	**29**	14
PDUs	3	2	**5**	3	4	**7**	0
Others	0	0	**0**	8	14	**22**	1
TOTAL	**38**	**10**	**48**	**50**	**30**	**80**	**23**

B. Retail Competition and Open Access

The ERC, motu proprio, conducted evidentiary hearings on the declaration of compliance to the five pre-conditions set by Section 31 of R.A. 9136 for the implementation of open access and retail competition. In an Order issued on 18 February 2011, the ERC conducted hearings last March 7 to 11, 2011 wherein relevant stakeholders were requested to provide evidences of compliances to include the DOE, NPC, PSALM, NGCP and PEMC.

The ERC likewise proceeded in preparing regulatory framework for the implementation of RCOA as follows:

- Amendments to Rules for Issuance of License to Retail Electricity Suppliers

  On 17 January 2011, the ERC issued Resolution No. 1, series of 2011 adopting the amendments to the Revised Rules for the Issuance of Licenses to Retail Electricity Supplier's (RES) prescribing the qualifications and criteria for licensing suppliers of retail electricity which includes, among others, a demonstration of their technical and financial capabilities and creditworthiness. A RES can start going business once RCOA takes place.

  Key amendments include the following: (a) the term of RES License is changed to five (5) years; (b) the basis in the computation of the RES License Fee include the capitalization or the total capital invested into the business; or in the event an applicant has two or

more businesses, the capitalization allocated for the supply business; or two or more business which are electricity related, the capitalization shall be based on the ERC-approved BSUP (Business Separation Unbundling Plan); (c) a mandated 30-day notification to the ERC by a DU if it intends to operate as a Local RES; (d) proof of financial capability if RES applicant is new and an affiliate of another company.

- Creation of TWG for the Resolution of Issues on Accounting, Billing and Settlement with the Opening of the Retail Market

  On 28 February 2011, the ERC issued Resolution No. 3, Series of 2011 establishing a Technical Working Group for the Resolution of Issues on Accounting, Billing and Settlement with the Opening of the Retail Market. The said issuance intends to formulate, review and/or clarify the rules that provide detailed processes and assignment of responsibilities for the accounting, billing and settlement of transactions and address issues that may arise in the implementation of open access and retail competition.

  The said TWG will be composed of representatives from the following entities:

  1. Retail Electricity Supplier's Association (RESA);
  2. Manila Electric Company (MERALCO);
  3. Private Electric Power Operator's Association (PEPOA);
  4. Philippine Rural Electric Cooperatives Association (PHILRECA);
  5. Market Operator (MO);
  6. Philippine Independent Power Producers Association (PIPPA); and
  7. National grid Corporation of the Philippines (NGCP).

  The functions of the said TWG is to review and clarify and, if necessary, draft the rules and regulations preparatory to the implementation of Open Access and Retail Competition, particularly on the subjects for accounting, billing and settlement and other related issues.

C. Market Power Monitoring

On 14 March 2011, the ERC issued Resolution No. 4 Series of 2011, amending Resolution No. 20, Series of 2010 issued on 4 October 2010. The said issuance is pursuant to the Guidelines set by the ERC which took effect on 22 February 2006 that requires the adjustment of the installed generating capacity per Grid and National Grid and market share limitations on or before 15th day of March of the succeeding years and/or as often as may be necessary. The capacity limitations set by the ERC per Grid and National Grid are summarized in *Table 12*:

Significant changes were noted with regard to the listed installed generating capacity for the three major grids. In Luzon, there is a difference of about 328 MW comparing figures in ERC Resolution No. 20 Series of 2010 with the recent issuance, Resolution No. 4, Series of 2011, from 10,839 MW to 11,188 MW. This is due to the re-entry of the 116 MW Subic Bay Metropolitan Authority, formerly Subic Enron. There are also some new entrants like the 4 MW Lucky PPH Biomass, 1.8 MW Smith Bell Mini-hydro, and the 0.8 MW San Luis Mini Hydro. Changes in the reported capacity were recorded for some major power plants like Angat that was changed from 153 MW to 245 MW, CE Casecnan from 150 MW to 165 MW, and Masinloc down from 635 MW to 625 MW.

In the Visayas, Cebu Energy Development Corporation (CEDC) put online the third unit of its three 82 MW Coal Plant. A decrease in the reported capacity of the NPC power barges from 61 MW to 45 MW, and the EDC optimization plant in Leyte from 54 MW to 32 MW were recorded.

In Mindanao, most of NPC hydro power plants have reported decrease in generating capacity due to low water level during the summer months.

With regard to market share, in Luzon, San Miguel Energy Corporation (SMEC) retains the biggest share of the generating capacity with 3,148 followed by First Gen Group with 2,222 MW. Aboitiz Group is placed third with 1,910 MW while PSALM's share had been reduced to 1,607 MW equivalent to 15 percent due to continuous privatization of the government assets.

Table 12 – Market Share Limitations per ERC Resolution No. 4 Series of 2011

GRID	INSTALLED GENERATING CAPACITY (kW)	MARKET SHARE LIMITATION	INSTALLED GENERATING CAPACITY LIMIT (kW)
Luzon	11,167.48	30%	3,350.24
Visayas	2,051.96	30%	615.59
Mindanao	1,756.58	30%	526.97
Philippines	14,976.02	25%	3,744.00

With SMEC having the biggest share in Luzon, it is only a matter of 202 MW to reach the designated limitations for 2011 in Luzon. With SMEC's status as the dominant generator, it is necessary for PSALM to evaluate its participation in the privatization of NPC's remaining assets and contracted capacities.

A new generating company in Luzon, 1590 Energy Corporation, acquired the 224 MW Bauang Diesel Power Plant from the local government of La Union.

In the Visayas, PSALM is still the biggest generator with 713 MW which is mostly associated with its contracts with the Unified Leyte Geothermal Power Plants. Global Business Power Corporation, shares 24 percent or 498 MW after commissioning its 216 MW Coal-Fired Power Plant in Cebu and another 72 MW CFPP in La Paz, Iloilo.

In Mindanao, considering that it is still exempted from the privatization process, NPC still dominates the generation industry with 926 MW, followed by PSALM with 486 MW. The

Table 13: Capacity for Each Generating Company per ERC Resolution No. 4, Series of 2011

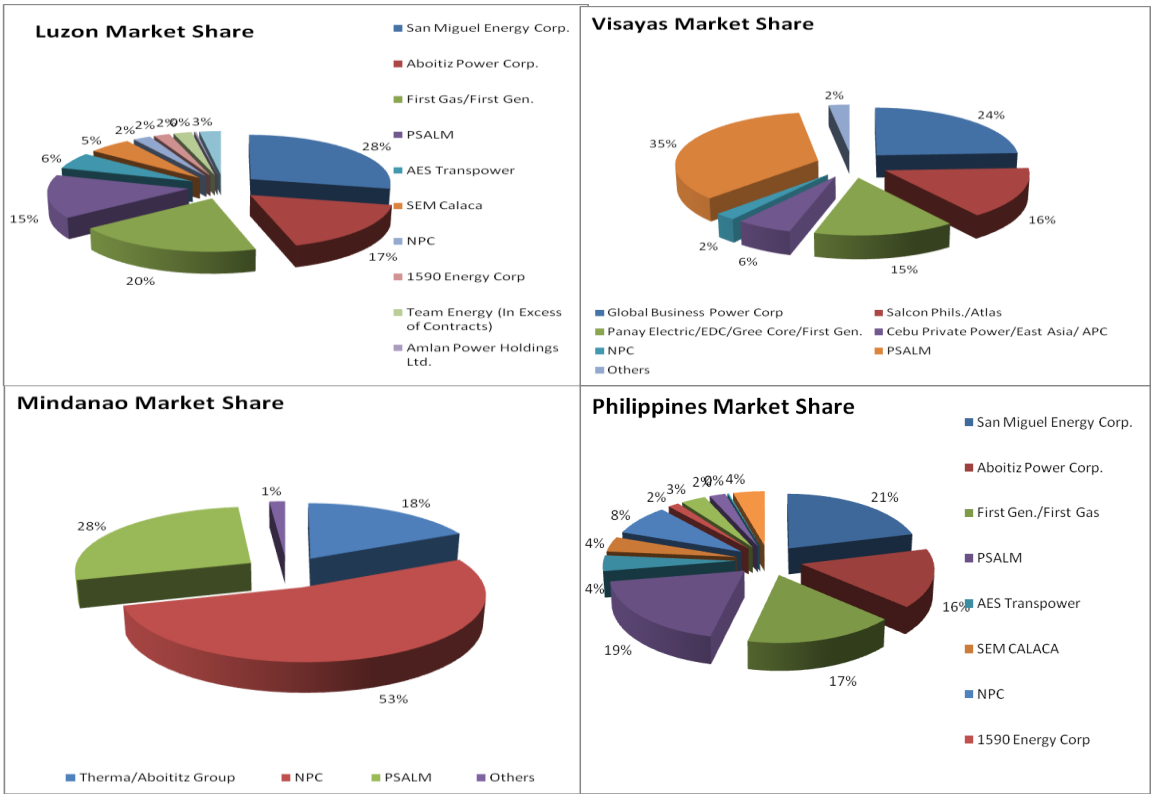
COMPANIES	LUZON	VISAYAS	MINDANAO	PHILIPPINES
San Miguel Energy Corp.	3,148.48	-	-	3,148.48
Aboitiz Power Corp.	1,910.80	119.60	315.24	2,345.64
First Gen./First Gas	2,222.56	302.56	-	2,525.12
PSALM	1,607.51	713.67	486.47	2,807.64
AES Transpower	625.00			625.00
SEM CALACA	600.00			600.00
NPC	245.99	45.35	926.42	1,217.76
1590 Energy Corp	224.91		-	224.91
Global Business Power Corp		498.15		498.15
Salcon Phils./Atlas	-	320.50		320.50
Amlan Power Holdings Ltd.	30.75			30.75
Team Energy (In Excess of Contracts)*	253.00			253.00
Others	298.47	52.13	28.45	379.05
TOTAL	**11,167.48**	**2,051.96**	**1,756.58**	**14,976.02**

✳ *Capacity is in excess of the PSALM contracted capacity. Excess capacities for other NPC-IPPs (Ilijan, Benguet, San Roque and Bakun) were included in "Others"*

Aboitiz Group who just recently commissioned 42 MW Sibulan Hydro Power Plant has a total of 315 MW or 18 percent of the Mindanao grid.

Due to privatization, the government monopoly in the business was eliminated effectively however, emerging companies threaten to replace the government in its dominance in the industry. As of the report period, the government was left with only 19 percent share of the generating capacity at the national level. San Miguel Energy Corporation, after only 3 years in the business already has the highest share of generating capacity which is equivalent to 21 percent of the national total generating capacity barely 4 percent away of breaching the limitation for the national grid as provided in the law. Due to this aspect, there is a need for ERC and DOE to review the level of interest that these companies hold, specifically the amount of their control/ownership of the existing and additional capacity in the generation sector. There is also a need for PSALM as the entity mandated to privatize the government assets to observe what is required by the law by not just pursuing privatization but should also examine to the status of the intending buyer with regard to its market share.

Figure 2 – Market Share Based on ERC Resolution No. 4, Series of 2011

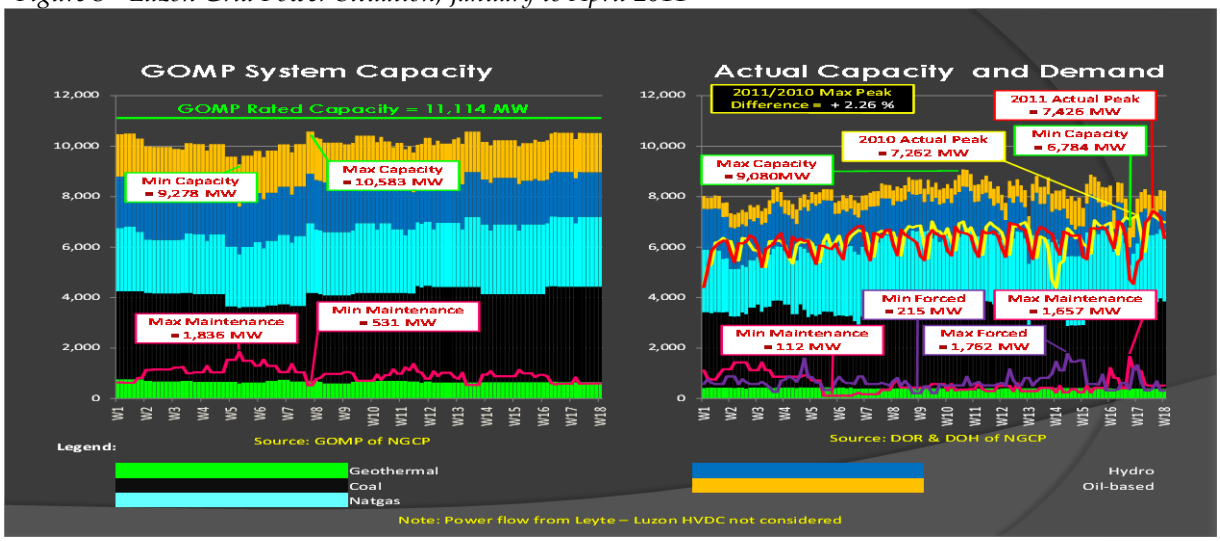


Source: ERC

V. POWER SUPPLY SECURITY AND RELIABILITY

In the midst of the near-crisis power situation in the first half of 2010 due to severe El Nino, the DOE issued Department Circular No. 2010-003-003 "Directing All Power Generation Companies, the Transmission Service providers, and all Distribution Utilities to Ensure Adequate and Reliable Electric Power Supply in the Country." This Circular directed NGCP to submit the Grid Operating and Maintenance Program (GOMP) of the generation companies to DOE and the mandated the generating companies to maintain adequate inventory of fuel supply. From January to April 2011 the following transpired for the three (3) major grids based on the GOMP monitoring.

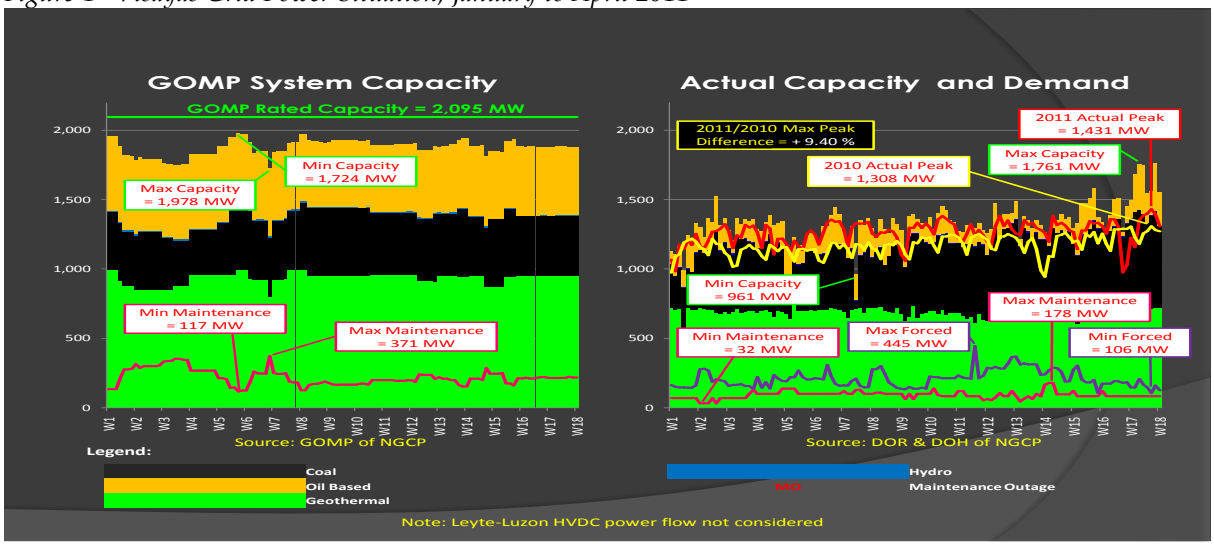
Figure 3 -Luzon Grid Power Situation, January to April 2011



Maximum capacity available to the grid from January to April 2011 is 9,080 MW recorded on 9 March 2011, 82 percent of the total 11,114 MW rated capacity in the grid. The maximum outage experienced by the grid on 23 January 2011 is 2,501 MW of which 914 MW is maintenance outage (MO) and 1,587MW is forced outage (FO). Highest demand recorded for the period is 7,426 MW, 2.26 percent increase compared to the same period of 2010 peak demand which is 7,262 MW,while 3.00% lower compared to 2010 peak demand occurred on the month of May with 7,656 MW. There were eleven incidents of Automatic Load Dropped (ALD), a minimum of 3 minutes were experienced on 27 January 2011 and a maximum of 3 hours and 5 minutes on 26 March 2011 when Sual Unit 2 (647 MW) and Masinloc Unit 1 (300 MW) tripped.Most of Automatic Load Dropping (ALD) experienced by the grid was caused by generator problem, only one of the incidents was related to transmission line.

The 150 MW BacmanGeothermal Power Plant was not included in the list of plant outages since the plant was under rehabilitation.

Figure 4 –Visayas Grid Power Situation, January to April 2011



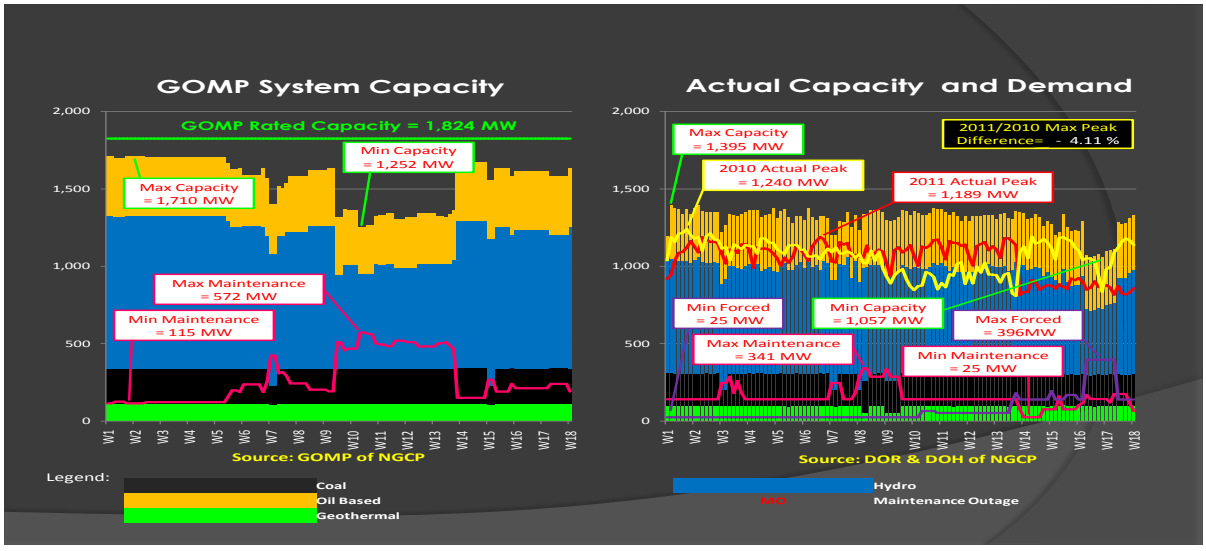
For the Visayas Grid, 2011 Year-to-date coincident peak demand is 1,431 MW recorded on 28 April 2011, this is 9.40% higher compared to the same period of 2010 coincident peak demand of 1,308 MW occurred also on 28 April 2010. Recorded maximum capacity available to the grid

is 1,761 MW occurred on 29 April 2011 and a minimum available capacity of961 MW occurred on 15 February 2011, while average available capacity for the period is 1,339 MW. Maximum maintenance outage was recorded on 3 to 4 April 2011 at 178 MW, while minimum was on 8 to 12 January 2011 at 32 MW. With regard to the forced outage, maximum was recorded on 16 March 2011 at 445 MW, while minimum was on 28 April 2011 at 106 MW.Maximum total outage was 528 MW experienced on 16 March 2011,of which FO is 445 MW and MO is 84 MW.

There were 68 incidents of Automatic Load Dropping (ALD) with an average duration of 12 minutes. The longest duration was 42 minutes recorded on 15 February 2011 at Kabangkalan – Binalbagan 69 kV Line due to isolation of CEDC U1 & U2 at 129 MW, while the shortest ALD lasted for about 2 minutes only. Forty Five (45) out of sixty eight (68) incidents of ALD occurred on Negros sub-grid. Costumers supplied by Bacolod – San Enrique 69 kV Line were the most affected with a total of 216 minutes of ALD. Most of the incidents were caused by tripping of generators, only 4 of them caused by tripping of transmission lines and 3 were caused by low generation system and load forecast error.

There were 40 incidents of Manual Load Dropping (MLD) with an average duration of 78 minutes. The longest duration of 6 hours and 2 minutes was recorded on 4 January 2011 at Panit-an - Culasi 69 kV Line, F12 – Boracay. This is to avoid overloading of 138 kV Negros – Panay submarine cable due to low system generation and forecast error. The shortest MLD lasted for about 4 minutes only. Twenty seven (27) out of forty (40) incidents of MLD occurred on Panay sub-grid with a total of 79.3 MW. Costumers supplied by Panit-an – Culasi 69 kV Line were the most affected with a total of 20 hours of MLD.MLD was implemented most of the time to avoid overloading of transmission lines. Few MLD were caused by tripping of generators, low system voltage or generation deficiency.

Figure 5 –Mindanao Grid Power Situation, January to April 2011



In Mindanao grid, the 2011 year-to-date peak demand is 1,189 MW recorded on 9 February 2011. This is 4.11% lower compared to the same period of2010 peak demand with 1,240 MW occurred on 6 January 2010 and 7.69% lower compared to full year of2010 peak demand which occurred on the month of December with 1,288 MW. Recorded maximum available capacity is 1,395 MW occurred on 2 January 2011and a minimum available capacity is 1,057 MW occurred on 19 April 2011. While, average available capacity for the period is 1,303 MW.

Maximum maintenance outage was recorded on 21 February 2011 at 341 MW, while minimum was on 2 to 6 April 2011 at 25 MW. Maximum forced outage was recorded on 18 to 25 April

2011 at 396 MW, while minimum was on 1 January to 6 March 2011 at 25 MW. Maximum total outage was 572 MW experienced on 25 April 2011. Of the total, FO is 396 MW and MO is 175 MW.

There were two (2) incidents of Yellow Alert (Yellow Alert was implemented when contingency reserve is less than 105 MW, the largest unit connected to the grid)and five(5)recorded Significant Incident Report (SIR) caused by tripping of generators.

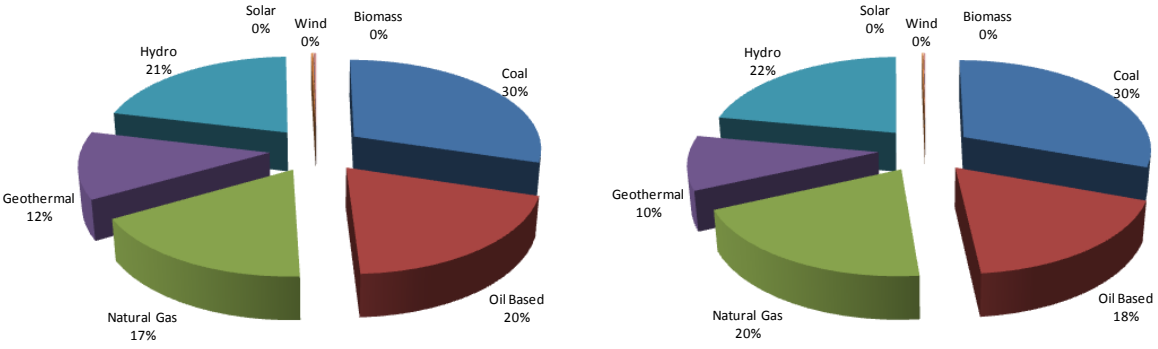
A. Power Generating Capacity

Total installed and dependable capacity in the country for 2010 increased to 15, 896 MW and 13,502 MW, respectively, with the entry of new capacities in Visayas and Mindanao.

The first two units of 3 x 82 MW coal-fired power plants owned by Cebu Energy Development Corporation (CEDC) were tested and commissioned during the first semester of 2010 which resulted to an increase in the total installed capacity of Visayas to 2,064 MW. The third unit of the CEDC plant is expected to be commissioned in June 2011.

In Mindanao, the first unit (26 MW) of the 42 MW Sibulan hydroelectric power plant in Davao del Sur commenced testing and commissioning in April 2010 while the second unit (16 MW) followed in August 2010. The dependable capacity for the total Philippines is around 85 percent of the total installed capacity.

Figure 6 - 2010 Installed and Dependable Capacity, Philippines



B. Power Generation

Gross generation increased by 9.4 percent in 2010 to 67,743 GWh from 61,934 GWh in 2009 in spite of the 20.3 percent decline in hydro power generation brought about by the El Niño Phenomenon during the summer months.

Significant increase in electricity generated was noted from coal-fired and oil-based power plants, at 41.4 percent and 32.0 percent, respectively. This can be attributed to the limited capability of hydroelectric power plants (HEP) particularly in Mindanao during the summer months in 2010 when the country experienced El Niño Phenomenon.

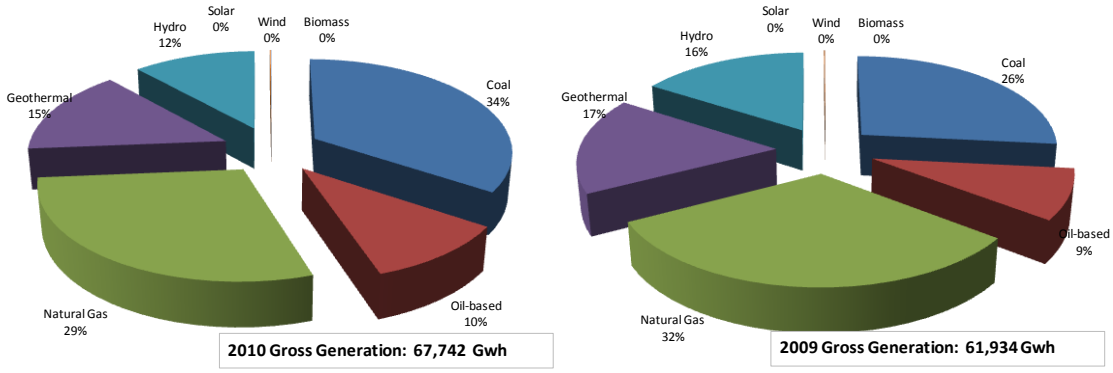
Coal-fired generation showed the largest increase of 6,825 GWh or 41.4 percent in the total gross generation. The high utilization of coal in Luzon and Mindanao grids was due mainly to compensate the lower output of the hydroelectric plants. While in the Visayas grid, this was due

to the testing and commissioning of new coal-fired power plants in Cebu (3 x 82 MW CEDC and 2 x 100 MW KSPC) and Panay (2 x 72 MW PEDC).

Electricity output from natural gas declined by 369 GWh or 1.9 percent. Electricity generation was affected by the Malampaya gas field shutdown from 10 February 2010 to 13 March 2010.

Oil-based generation increased by 1,720 GWh or 32.0 percent in the total gross generation, from 5,381 GWh in 2009 to 7,101 GWh in 2010. In Luzon grid, oil-based plants were dispatched as a must run unit to address the insufficient reserve capacity during the first quarter of 2010 when some coal-fired power plants experienced forced outages. The effect of El Niño which limited the HEP in Mindanao grid resulted to high utilization of oil-based power plants.

Figure 7 - Gross Generation by Plant/Resource Type, Philippines



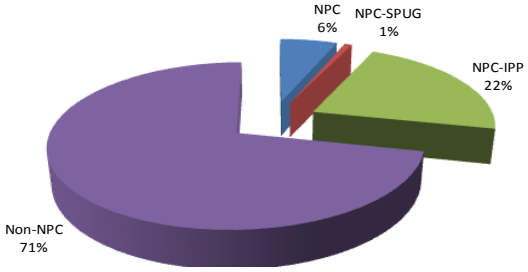
The El Niño phenomenon resulted to the limited capability of hydroelectric power plant (HEP) due to low water elevation in the reservoir, which resulted to a decreased in the electricity output from HEP by 1,984 GWh or 20.3 percent, from 9,788 GWh in 2009 to 7,803 GWh in 2010 in the total gross generation.

Generation from geothermal power plants declined by 395 GWh or 3.9 percent. Some units of geothermal power plants in the Visayas grid were on forced outage during February to May and last quarter of 2010.

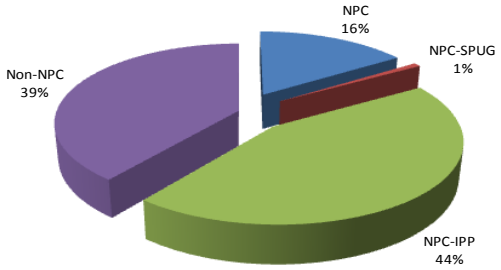
Other renewables (wind, biomass, and solar) contributed 90 GWh or 0.13 percent to the total gross generation.

Generation from NPC power plants decreased by 5,692 GWh or 58.41 percent, from 9,745 GWh in 2009 to 4,053 GWh in 2010. Assets of NPC that wereas successfully turned over to private sector namely:are the 600 MW Calaca Coal-fired power plant on 3 December 2009 and 443 MW Makban – 289 MW Tiwi Geothermal power plant on 30 May 2009. Also, a total of 2,602 MW NPC-IPP's were turned over to its Administrator that causeds the decrease of electricity output of NPC-IPP's to 14,725 GWh in 2010 compared to 27,400 in 2009. With all these NPC assets and NPC-IPP contract turned over to private sector, share of Non-NPC to the total generation had an increase by 24,127 GWh or 99.23 percent.

Figure 8 - Gross Generation by Plant Owner, Philippines



2010 Gross Generation: 67,742 Gwh



2009 Gross Generation: 61,934 Gwh

C. System Peak Demand

The extensive heat of El Niño Phenomenon brought Luzon an all-time peak temperature for the year recorded at 38°C. With high utilization of cooling system, the power demand peaked in the month of May and posted a higher than expected level of 7,656MW or 10.5 percent higher compared to 2009.

The commissioning of 590 MW new capacity in the Visayas grid eased the system that had been experiencing suppressed demand for the past years. Coincident peak demand in 2010 reached 1,431 MW, higher by 15.3 percent from the previous year. In sub-grid level, Cebu reflected highest demand with a 674 MW or 47.2 percent share to the total Visayas grid demand.

Mindanao immensely suffered the worst of the power shortage brought by El Niño Phenomenon, since more than 50 percent of its electricity requirement is mainly sourced from hydro-generated power plants. Power supply in the island was insufficient as water elevation in lakes and rivers all over the grid were way below their critical level.

As such, suppressed demand was observed since several hydroelectric power plants were operating below capacity, a substantial decline in the electricity demand in Mindanao of 15 MW or -1.2 percent from 1,303 MW in 2009 to 1,288 MW in 2010. In April 2010, demand curtailed at peak reached 320.5 MW which is the highest unserved demand for 2010 in Mindanao grid.

Table 14 – System Peak Demand

Grid	2010	2009	Difference	
			MW	Percent
Luzon	7,656	6,928	728	10.5
Visayas	1,431	1,241	190	15.3
Mindanao	1,288	1,303	-15	-1.2
Philippines	10,231	8,965	1,266	14.1

D. Electricity Sales and Consumption

The total electricity consumption all over the country posted a way remarkable ascend of 9.4 percent from 61,934 GWh in 2009 to 67,743 GWh in 2010. Total electricity sales, which accounted for 83.5 percent of the total electricity consumption was recorded at 56,535 GWh in 2010. These comprised of Private Investor Owned Utilities (PIOU's) at 37,080 GWh, Electric Cooperatives at 12,852 GWh, non-utilities and other Services at 5,244 GWh and 1,359 GWh, respectively. "Own-use" of power plants and distribution utilities was pegged at 3,407 GWh while transmission and distribution losses were at 7,800 GWh.

On a per sector basis, residential sector had the highest electricity sales in 2010 at 18,833 GWh or 33.3 percent of the total sales. This was 7.6 percent higher compared to 2009. The major reason for the growth observed in the residential sector was attributed to the considerable increased in the consumption of electricity for household activities such as use of cooling

system due to the early onset of summer season and long dry summer months because of El Niño Phenomenon.

Table 15 – Electricity Sales and Power Consumption Data

Particulars	2009		2010		Difference	
	GWh	% Share	GWh	% Share	GWh	Growth Rate (%)
Electric Cooperatives (EC'S)*	12,852	19.0	11,768	19.0	1,084	9.2
Private Investors Owned Utilities (PIOU's)	37,080	54.7	33,853	54.7	3,226	9.5
Non-Utilities/Directly Connected	5,244	7.7	4,935	8.0	309	6.3
Other Services	1,359	2.0	987	1.6	372	37.7
Total Sales	56,535	83.5	51,544	83.2	4,992	9.7
Own-Use/Plant Station Used	3,407	5.0	2,849	4.6	559	19.6
Distribution/Transmission Losses	7,800	11.5	7,542	12.2	258	3.4
Total Consumption	67,743		61,934		5,808	9.4

Note: Includes off-grid sales and consumption
Other services includes energy delivered to other generator

Industrial sector comprised 33.6 percent or 18,576 GWh of total electricity sales, implying 8.7 percent growth in 2009 from 17,084 GWh. While commercial sector registered a remarkable increased of 10.2 percent from 14,756 GWh in 2009 to 16,261 GWh in 2010 and "Others" not elsewhere classified rose by 4.8 percent in 2010.

Table 16 – Electricity Sales and Power Consumption Data

Particulars	2010		2009		Difference	
	GWh	% Share	GWh	% Share	GWh	% Share
Electric Cooperatives (EC'S)	12,852	22.73	11,768	22.83	1,084	9.21
Private Investors Owned Utilities (PIOU's)	37,080	65.59	33,853	65.68	3,226	9.53
Non-Utilities/Directly Connected	5,244	9.28	4,935	9.57	309	6.26
Other Services	1,359	2.40	987	1.91	372	37.70
Total Sales	56,535	100.00	51,544	100.00	4,992	9.68

*Note: * Includes off-grid sales and consumption*
Non-utilities includes Ecozone, Industrial and Government served by the National Grid
Other services includes energy delivered to other generator

E. Status of Private Sector Initiated Power Generation Projects

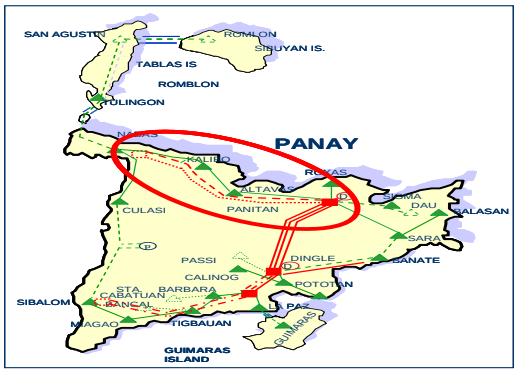
As of the report period, there are 5,464.5 MW private sector initiated power projects. Out of this total, 1,468 MW were committed and 3,996.5 MW are indicative. Committed projects are those projects which have complied with necessary permits and clearances by various agencies and local government and have secured financing. These committed projects are: 600 MW Coal-fired power plant in Luzon; Coal-fired power plants in Visayas, such as, 3x 82 MW by Cebu Energy Development Corporation, 2 x 82 MW by Panay Energy Development Corporation, and 2x 100 MW by Kepco-Salcon; and the 200 MW Southern Mindanao coal-fired power plant, 8 MW Cabulig Mini Hydro, and 50 MW Mindanao 3 geothermal projects in Mindanao. Indicative projects are those which are at the different stages of development prior to financial closure.

F. Status of Transmission Projects

During the reference period, NGCP completed the following projects:

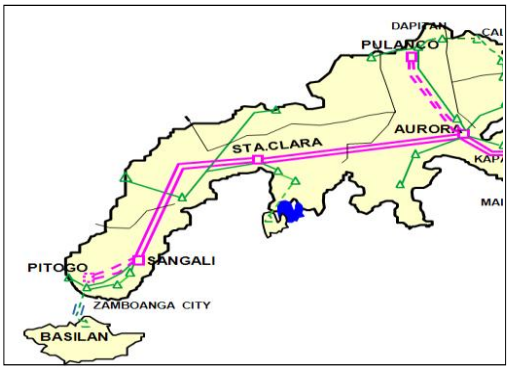
- **2-90 MVAR Power Shunt Reactor @ Kadampat (Bolo) energized on 30 December 2010 and San Jose Substation energized on 24 January 2011-** This project is a component of the Luzon Transmission Equipment Upgrade and will specifically address the over voltages in the Luzon Grid during system off-peak load conditions. Several instrument transformers were already damaged due to excessive high voltages, prompting the emergency procurement of reactors for Kadampat Substation, now renamed Bolo Substation, and for San Jose Substation.

- **Northern Panay Backbone Transmission Project energized on 23 January 2011 -** The project involves the installation/contruction of a total of 97 kilometers of 138kV and 69kV overhead transmission line utilizing steel towers structures and aims to: accommodate load growth and address the low voltage problem; improve the system reliability and operational flexibility; and extend service to un-electrified areas.



- **Visayas PCB Replacement Project (Priority 1) energized on 21 March 2011** - The purpose of this project is to replace old/antiquated PCB's installed in number substation facilities including PCBs which will become inadequate in terms of their technical capabilities. PCBs in Amlan, Bacolod, and Mabinay Substations have been replaced.

- **Zamboanga –Pitogo 138kV Transmission Line (with Line 2 and Line 1 energized on 23 January 2011 and 6 April 2011)** - This is the remaining component of Zamboanga City 138kV Transmission Line Project which consist of 33.5km-138kV double circuit, steel pole transmission line to be constructed from the existing Zamboanga substation to new substation in Pitogo. This augmentation will provide reliable bulk power services to western Mindanao and is also intended to remedy operational problem such as line outages, and at the same time meet the projected increase in demand in the area.



G. ERC-Approved Capital Expenditure Projects

For the report period, various Capital Expenditure (CAPEX) Projects amounting to PhP3.02 billion were approved by the ERC. This covers CAPEX of eight DUs, of which the largest is for the CAPEX of Bukidnon Second Electric Cooperative, Inc. (BUSECO) with a total approved CAPEX of PhP641.35 million. The list of the approved distribution-related CAPEX projects is found in Annex 16.

H. Transition Supply Contracts (TSCs)

The EPIRA provided for NPC filing with the ERC of its TSCs duly negotiated with the DUs containing the terms and conditions of supply and corresponding schedule of rates, including adjustments and indexation formulas which shall apply to the term of such contracts. As provided for in Section 67 of the EPIRA the term of the TSCs shall not extend beyond one (1) year from the introduction of open access. Such contracts shall be based on the projected demand of such utilities less any of their currently committed quantities under eligible IPP contracts. Said provision further provides that the total generation capacity of the signed TSCs shall not exceed the level of NPC owned, controlled or committed capacity as of the EPIRA's effectivity. Such TSC shall be assignable to the NPC successor.

Table 17 – Transition Supply Contracts Transferred to Successor Generating Companies

Power Plants	Succeeding Generation Company	No. of TSCs Transferred	Equivalent Capacity (MW)
Luzon			
Batangas Coal Fired Thermal Power Plant (CFTPP)	SEM Calaca Power Corp	11	295.03
Magat Hydro Electric Power Plant (HEPP)	SN Aboitiz Power Corp.	8	28.65
Masinloc CFTPP	Masinloc Power Partners Ltd.	10	122.77
Pantabangan- Masiway HEPP	First Gen Hydro Power Corp.	6	45.53
Tiwi Geothermal Power Plant (GPP)	AP Renewables Inc.	17	152.72
Makban GPP	AP Renewables Inc.	25	250.50
Sual CFTPP	San Miguel Energy Corp.	51	1,000.55
Pagbilao CFTPP	Therma Luzon, Inc	2	333.51
San Roque HEPP	Strategic Power Development Corp.	5	60.60
Bakun Benguet HEPP	Amlan Power Holdings Corp.	1	4.03
Ilijan Combined Cycle Natural Gas Power Plant	San Miguel Power Corp.	2	544.20
Visayas			
Palinpinon GPP	Green Core Geothermal Inc.	10	178.70
Tongonan GPP	Green Core Geothermal Inc.	5	95.66
TOTAL		**153**	**3,112.43**

As of April 2011, 153 TSCs with a total demand of 3,112.43 MW were already transferred by NPC to SGCs of which 138 are in Luzon with equivalent demand of 2,838 MW and 15 in the Visayas with demand of 274 MW. The said transferred TSCs were attached to 14 power plants now owned by 10 generating companies of different resources in Luzon and Visayas.

Table 18 - NPC/PSALM Average Available and Contracted Energy from 2011 to 2013

Grid	2011		2012		2013	
	Available Capacity	**Contracted Capacity (MW)**	**Available Capacity**	**Contracted Capacity (MW)**	**Available Capacity**	**Contracted Capacity (MW)**
Luzon	1,666	500 MWh[1]	1,666	500 MWh[1]	1,666	500 MWh[1]
Visayas	796	613	796	145	796	145
Mindanao	1,389	1,341	1,389	426	1,389	394

Notes:
1. Average Contracted Energy was used due to absence of contracted capacity for other customers
2. Average Capacity is based on PSALM submission as of December 2010
3. Average capacity excludes privatized NPC IPPs and Generation Assets

Based on the latest data submitted, by 2011 PSALM has an average capacity of 1,666 MW available for contracting however, a sole contract with SKK Steel Philippines of 500,000 kWh still exist up to 2015. In the Visayas, PSALM has an average capacity of 796 MW until 2013 and as of April 2011, about 711 MW is still contracted. However, 579 MW of this will expire in December 2011, leaving PSALM with only 135 MW of contracted capacity. In Mindanao, PSALM

has about 1,389 MW capacity. As of April 2011, about 1,277 MW is still contracted. However, about 963 MW of the contracted capacity will expire in August 25, 2011. In December 2013, if PSALM would not renew all expiring contracts, they will be left with only 394 MW of contracted capacity.

VI. TOTAL ELECTRIFICATION

As of 31 May 2011, the Expanded Rural Electrification (ER) Program has already achieved 99.89 percent of the total potential barangay nationwide. Prior to the launching of ABEP, barangay electrification level only stood at 76.9%, having energized only 32,281 out of 41,975 total barangay coverage. The energization of 41,921 barangays was spearheaded by the DOE with assistance from the NEA, NPC-SPUG, and PNOC and its subsidiaries.

Among the remaining 45 unenergized barangays, 18 barangays have implementation issues especially in ARMM areas, which concerned EC have unliquidated cash advances. Others, specifically in the franchise area of FIBECO, have Right-Of-Way problem still to resolve in order to complete the projects. MERALCO, on the other hand, has committed to accelerate electrification of the 27 barangays yet to be energized in its franchise area. The DOE is closely coordinating with NEA and concerned LUGs on the possible options to pursue electrification of these barangays. Please note that five barangays (5) were delisted from the target due to no inhabitants and located on permanent danger zone (Albay near Mt. Mayon).

As the 100% barangay electrification is nearly achieved, DOE is now developing methodology, schemes and policies in preparation for the full implementation of the secondary target under ER Program, the 90% Household Connection by CY2017. These efforts will be in coordination with NEA and NPC-SPUG and along with other private corporations. In addition, NEA is finalizing the Barangay Enhancement Master Plan which aims to upgrade the electric facilities of off-grid barangays.

Table 19 - Barangay Electrification Status as of 31May 2011

Region	Potential Barangays	Electrified Barangays	Unelectrified Barangays	Electrification Level (%)
CAR	1,176	1,176	0	100.00%
I	3,265	3,265	0	100.00%
II	2,311	2,311	0	100.00%
III	3,102	3,102	0	100.00%
IV-A	4,010	3,983	27	99.33%
IV-B	1,458	1,458	0	100.00%
V	3,469	3,469	0	100.00%
NCR	1,695	1,695	0	100.00%
SUB-TOTAL LUZON	***2,0486***	***2,0459***	***27***	***99.87%***
VI	4,050	4,050	0	100.00%
VII	3,003	3,003	0	100.00%
VIII	4,389	4,389	0	100.00%
SUB-TOTAL VISAYAS	***11,442***	***11,442***	***0***	***100.00%***
IX	1,904	1,904	0	100.00%
X	2,020	2,020	0	100.00%
XI	1,160	1,160	0	100.00%
XII	1,194	1,194	0	100.00%
CARAGA	1,310	1,310	0	100.00%
ARMM	2,459	2,441	18	99.27%
SUB-TOTAL MINDANAO	***1,0047***	***1,0029***	***18***	***99.82%***
TOTAL PHILIPPINES	**41,975**	**41,930**	**45**	**99.89%**

Source: DOE

In response to the reforms introduced by the EPIRA and its IRRs, the DOE spearheaded the development and pilot testing of innovative service delivery mechanisms using Private Sector Participation (PSP) in remote and missionary areas. The developments are as follows:

A. Qualified Third Party

1. PowerSource Philippines, Inc., (PSPI) Rio Tuba QTP Project in Bataraza, Palawan

PSPI reported that its current total connections in RioTuba area have increased to 1,450 households with 24-hour electricity services. PSPI has also reported a substantial increase in its actual electricity demand and a high collection fee index of 97 percent in the said area. PSPI was able to collect its subsidy claims from NPC and is working on the billing documentation of their subsequent subsidy claims from NPC.

Table 20 - Targets Per Implementor

DOE	42
DOE BEP	1
DOE RAES	4
ER 1-94	10
MERALCO	27
AMORE	3
TOTAL	**45**

Due to upsurge in load consumption/use, PSPI is working on the additional capacity for their existing Community Energizer Platform Power Generation Project by bringing in their 50 kW biomass gasifier, which they intend to commission by the end of the year. Said biomass plant intends to take a third of their present load from their existing generation system. As an update, PSPI has reported to the DOE-PMO that the said biomass system has already been shipped to the country for possible installation during the next semester of the year.

2. PSPI Malapsacua QTP Project in Bantayan, Cebu

The transmission and distribution lines funded by KEPCO for the Malapascua QTP project were fully completed last April 2011. PSPI is working with the full documentation of its Malapascua QTP application for submission to DOE within the year. Presently, PSPI is packaging their application for Certificate of Compliance to Energy Regulatory Commission as one of the requisite documents for their QTP application. PSPI is also actively undertaking project sites identification for their other QTP projects. It has initially identified Liminangcong, Port Barton and Sabang in the Province of Palawan as its potential QTP sites.

3. Semirara QTP Project in Caluya, Antique

The Antique Electric Cooperative (ANTECO) officially issued its Board Resolution dated 28 April 2011 declaring its three (3) barangays (i.e., Alegia, Semirara, and Tinogboc) in Semirara Island, Antique Province as unviable areas and open for possible QTP participation in accordance to the DOE and ERC guidelines/rules. Said waived barangays are the proposed service areas by the Semirara Mining Corporation (SMC), a mining company operating in the said area. SMC has been preparing for the formal submission of its documents as QTP in the Semirara Island has been conducted several adjustments in its plant operation to establish clear physical and financial separation between its mining operation and its electricity service provision to households and commercial end-users. As an update, SMC's subsidiary, DMCI Power, will be the actual entity which will submit qualification documents to DOE for possible QTP undertaking in the said waived areas of ANTECO.

4. PRES Project in Masbate

At present, DOE in close coordination with NPC, is working out the development of necessary contractual and/or commercial arrangements suitable for PRES project as well

as timelines and action plan to ensure the target barangays under the PRES project may be assured of least-cost electricity services that is sustainable.

PAMATEC, the Project Contractor, completed installation of the PV systems in 108 barangays benefitting 5,129 household and mini-grid systems in 102 barangays with 12,183 households' beneficiaries. Out of these target barangays, 84 barangays were provided with hybrid systems in which diesel generator sets were installed for clustered households and solar PV systems for the dispersed households while NPC-SPUG as Interim QTP had put in place administrative guidelines for the operation of the PRES Project. The Mobo Diesel Power Plant (DDP) has been designated as the central payment center and started accepting payments from customers in April 2010. Billing shall be retroactive from start of commercial operation in each of the barangays. For PV systems and mini-grid systems, monthly fixed rate is PhP90.00 and PhP325.00, respectively. A total of 146 personnel were hired as of April 2010 and will hire additional 73 personnel in May 2010 for the operation and maintenance of the mini-grid systems.

B. Rural Power Project (RPP)

DOE-PMO has continued to observe the steady growth of the solar PV market for the active Participating Companies (PCs). Through the RPP, a total of 14,912 solar home systems within the quarter were installed, which is about 59 units higher than the 14,312 systems from the previous quarter (4th Quarter 2010). The total number of solar home systems (SHSs) accounted for the RPP has increased from 12,222 to 12,779, indicating the 557 SHS claims processed by the DOE-PMO for the period. DOE-PMO has also received claims for 38 PV-powered streetlights during the period, bringing the total solar PV-supported public facilities from 2,095 from last quarter to 2,133 systems in this quarter. The other 2,714 systems refer to those solar lanterns which received subsidy by the DOE-PMO until the last quarter of 2009 when such support had ended.

In terms of the RPP's contribution to the electrification goals, the estimated number of households (HH) served using decentralized systems has increased to 14,097HH for this quarter, which is higher than the 13,540 HH connections reported in the previous quarter. Said figures include both those households with solar PV systems and the 1,420HH connections served by mini-grid system in Rio-Tuba Qualified Third Party (QTP) Project. With the inclusion of public facilities, the Project has posted a total of 16,230 cumulative total connections at end of the reporting period. Again, the figures do not yet include the solar lanterns previously supported by the Project.

During the quarter, the DOE-PMO has continued the monitoring of the activities of all the PCs/ECs as well as the developments in the various SSMP and EC-RAES Projects supported by RPP. All the public facilities under SSMP2 - KEPCO 136 and SSMP3-KEPCO 72 were completed last year. For this quarter, SSMP2 and SSMP3 Contractors have added 128 and 2 SHS sales in their areas, respectively.

For the EC-RAES Program, the DOE-PMO has continued coordinating with the participating ECs the initial results of the "lease-to-own strategy" and the submission of subsidy claims for about 160 PV systems for public facilities. For the SSMP1, the DOE-PMO with its RPP Legal Advisor continued to follow up with the surety company (Phoenix Surety Corp.) to pay for the performance securities and warranties amounting to PhP 12.88 million with the uncompleted obligation of SOLARCO and the eventual termination of its SSMP contracts under the Project. DOE-PMO received the letter of Phoenix dated 24 February 2011 rejecting the call to pay for the said performance securities. DOE is planning to make necessary actions against the company for not honoring its commitment with regards to Solarco contract, possibly possible filing of case against Phoenix.

Meanwhile, key milestones have also been achieved in the pilot phase of the PV Mainstreaming Project under the RPP with the signing of Memoranda of Agreement last December 2010 between DOE and the five (5) Electric Cooperatives (ECs) in Mindanao. Under this concept, the ECs will provide electricity services using solar PV systems to the unelectrified households in their franchise areas using "fee-for-service" model. After receiving sufficient trainings and orientations on solar PV business through the assistance of the Local PV Mainstreaming Consultant (Ms. Salome Soriano), the five ECs were able to conduct initial market studies in their respective areas and have already started preparing their own business plans. The pilot phase

Several procurements for consultancy services have been facilitated by the DOE-PMO during the quarter, including the following:

- "Updating of the Process Flow for the Missionary Electrification Development Plan (MEDP)." Aimed at the preparation of the updated MEDP 2012-2016 and improving the process flow in the development of the same, the procurement process for the said TA has been undertaken up to the shortlisting of six (6) firms as of end March 2011. The rest of the process including the awarding of contract to the selected consultant is expected to be completed by the end of 2nd Quarter 2011.

- "Strengthen Policy and Regulatory Frameworks for Household Electrification with Roadmap for 90% Household Electrification by 2017". This TA aims for enhancing the existing policy and regulatory frameworks for household electrification in the country and the preparation of the Government's national roadmap for the attainment of 90% HE by 2017. Upon the receipt of the Bank's no objection on the TOR, the DOE-PMO proceeded with the issuance of the request for expression of interest from prospective firms. The procurement process is expected to be completed by 3rd week of July 2011.

- Procurement of Goods and Services for the 'Rehabilitation of the Solar PV Systems for Public Facilities under the Sustainable Solar Market Packages (SSMP) 1." This involves the conduct of rehabilitation of the public facilities for 50 barangays under the SSMP 1. DOE-PMO initiated the conduct of the bidding for the said procurement through the DOE's Bids and Awards Committee. The awarding of the contract will be completed by the 2nd Quarter of the year.

Both procurement process for the first two TAs above employs Quality and Cost Based Selection (QCBS) methodology. In addition to these services, the DOE-PMO has also planned to extend the services and expand the current scope of work of the RPP Implementation Advisor (Jim Finucane) to perform the services of an international evaluation consultant in preparing the RPP Borrower's Evaluation Report. Also, an RPP Technical Support Officer (Rodelio Padrique) has been engaged last February 2011 to further assist the DOE-PMO in the remaining activities of the Project.

TORs for additional consultants have also been prepared, including the following: (i) Workshop Organizer/Facilitator, to assist in the series of workshops for the sustainability of solar PV systems for public facilities installed under SSMP Projects; (ii) Local Evaluation Consultant, to assist the RPP Implementation Advisor including conduct of local workshops, data gathering, and the drafting of RPP Borrower's Evaluation Report; (iii) Additional PV Verification, to increase the manpower capacity of the DOE-PMO for the conduct of comprehensive systems verification in anticipation to the high volume of solar PV subsidy claims during the last phase of the Project. The procurement processes for these additional services will be completed during the 2nd Quarter of the year.

On the Partial Credit Risk Guarantee Component, the previous quarter (4th Quarter 2010) focused on the full liquidation and the closing of related accounts including the Revolving Fund by the former RPP LGF Program Manager (LGU Guarantee Corporation) as well as the Escrow Account at the Banco De Oro (BDO), the Escrow Agent for the fund. As requested by the DOE, UNDP did not renew the ROP11 bonds for the funds at BDO after their maturity last February 2011. Instead, the funds have been transferred into a time deposit and savings deposit accounts on the same Bank. On the new purposes of the funds, the DOE-PMO continued to coordinate with the office of the DOE's Undersecretary Layug (also the CBRED Steering Committee Chair) to transfer the current value of the US$1.0million LGF to a special DOE account for the scaling up of the PV Mainstreaming activities in the Distribution Utilities.

Cumulative disbursement of the GEF Grant by DOE-PMO and DBP-PMO reached to US $5.24 M (utilization of 66% of the DOE revised allocation) and US $0.58 M (utilization of 53% of DBP's revised allocation. Meanwhile, the DOE-PMO submitted to World Bank its request for the GEF grant reallocation for cover rehabilitation of SSMP I PV installations in public facilities. The DOE-PMO is still awaiting the issuance of no objection by the Bank for the said reallocation.

C. Implementation of Benefits to Host Communities (E.R. 1-94 Program)

As specified under Energy Regulations 1-94 (ER 1-94) as amended, the DOE ensures that communities hosting generating facilities or energy resource development projects are benefited. It is a way of recognizing the contribution of host communities for sharing and using their territory to put up generating facilities to energize the rest of the country.

Table 21 - Summary of Financial Benefits as of April 2011 (In PhP Billion)

Particulars	EF	DLF	RWMHEEF	Total
Accrued Financial Benefit	2.91	2.11	2.44	7.46
Approved	2.47	0.95	1.22	4.64
Available/Collectible Balance	0.44	1.16	1.22	2.82

ER 1-94 provides for funds that can be accessed by host communities to further foster progress in their respective areas. However, availment of such benefits requires host communities to submit proposals which may be under any of the following: electrification fund (EF), development and livelihood fund (DLF) and reforestation, watershed management, health and/or environment enhancement fund (RWMHEEF).

From December 2010 to April 2011, the DOE approved 157 projects with a total amount of PhP 84.26 million funded under E.R. 1-94 program from which 136 projects were funded under EF amounting to PhP57.87 million, 11 under DLF amounting to PhP13.93 million and 10 under RWMHEEF amounting to PhP 12.46 million.

The total accrued financial benefit from inception is PhP 7.46 billion from which PhP 4.64 billion was obligated for the implementation of projects. The available funds as of April 2011 stood at around PhP 2.82 billion.

VII. INSTITUTIONAL ENHANCEMENT

A. WB-GEF Electric Cooperative System Loss Reduction Project (ECSLRP)

The ECSLRP is a US$12.0 million grant from the World Bank through the Global Environment Facility which aims to achieve significant and sustained energy efficiency improvements in the operations and management of electric cooperatives (ECs) to be able to provide reliable and least cost power supply to their customers over the long term through removal of barriers to

entry of private sector investments in system loss reduction. It has a project life of 7.5 years, from the signing of the GEF Trust Fund Grant Agreement between the Republic of the Philippines (ROP) represented by the Department of Energy and Department of Finance and the International Bank for Reconstruction and Development (World Bank) on May 5, 2004 to Dec 31, 2011.

It has two major components namely: 1) Partial Credit Guarantee (PCG) Program for loans of ECs from PCG accredited financial institutions (AFIs) to fund capital expenditure (capex) requirements; and (2) capacity building and implementation support program for the DOE and LGU Guarantee Corporation (LGUGC) and other key stakeholders of the project.

A summary of the booked and target EC accounts for booking under the PCG Program as of March 2011 is shown below.

Table 22 - Summary of Booked and Target EC Accounts under the PCG Program (as of March 2011)

EC	PHP Loan (Million)	EC-PCG Exposure 80% of Amount			USD (@P43:$1)	EC-PCG Leverage Ratio	Status/Remarks
		Principal	Interest*	Total			
MORESCO I	115.00	92.00	1.61	93.61	2.18		P68.735MM already released by Security Bank
PANELCO I	113.00	90.40	1.58	91.98	2.14		P47.000MM already released by Bank of Philippine Islands
SOCOTECO I	102.00	81.60	1.43	83.03	1.93		P30.500MM already released by Bank of Philippine Islands
BUSECO	135.86	108.69	1.90	110.59	2.57		Guarantee, Loan and Collateral Agreements signed Feb 2011
SURNECO	85.00	68.00	1.19	69.19	1.61		Guarantee, Loan and Collateral Agreements signed March 2011
BOHECO I	108.40	86.72	1.52	88.24	2.05		Guarantee and loan documents under review of bank and EC
FIBECO	142.88	114.30	2.00	116.30	2.70		On-going canvassing of indicative loan terms/conditions
LANECO	112.94	90.35	1.58	91.93	2.14		On-going canvassing of indicative loan terms/conditions
Sub-Total	**915.08**	**732.06**	**12.81**	**744.88**	**17.32**	**1.73**	
SOCOTECO II	140.00	112.00	1.96	113.96	2.65		Due diligence reports being finalized for Board Presentation
CAMELCO	140.00	112.00	1.96	113.96	2.65		Due diligence reports being finalized for Board Presentation
AURELCO	100.00	80.00	1.40	81.40	1.89		Technical and financial due diligence on-going
CANORECO	100.00	80.00	1.40	81.40	1.89		Technical and financial due diligence on-going
LUELCO	100.00	80.00	1.40	81.40	1.89		For due diligence April 2011
MORESCO 2	100.00	80.00	1.40	81.40	1.89		For due diligence April 2011
DASURECO	100.00	80.00	1.40	81.40	1.89		For EC Board Orientation
CAGELCO 2	100.00	80.00	1.40	81.40	1.89		For EC Board Orientation
MOELCI I	100.00	80.00	1.40	81.40	1.89		For EC Board Orientation
Sub-Total	**980.00**	**784.00**	**13.72**	**797.72**	**18.55**	**1.86**	
GRAND TOTAL	**1,895.08**	**1,516.06**	**26.53**	**1,542.60**	**35.87**	**3.59**	

B. Extension of the Life of Joint Congressional Power Commission

The EPIRA is now on its tenth year of existence. With this, several obligations mandated under the law will expire following the requirements provided in the law itself. One specific provision is the existence of the Joint Congressional Power Commission (JCPC) or what is referred in the law as the "Power Commission". As provided in Section 62 of the EPIRA, the Power Commission shall exist for period of ten (10) years from the effectivity of the Act and may be extended by a joint concurrent resolution.

Relative to this, in October 2010, the Committee on Energy of the House of Representatives issued Resolution No. 6, entitled, "Expressing the Sense of the Senate and the House of Representatives to Extend the Term of Existence of the Joint Congressional Power Commission (JCPC)", authored by Honorables Fuentebella, Abad, Abaya and Madrona. Also in March 2011, the Senate Committee on Energy issued Senate Joint Resolution No. 9, entitled "Resolution Extending the Period of Existence of the Joint Congressional Power Commission".

In its opinion submitted to the Senate and the House of Representatives relative to the measure, the DOE expressed its full support on the proposed extension of the JCPC existence and endorsed the approval of the said Resolutions. The DOE assured the Committee on the Department's continued to support to legislative actions that will help the electric power industry.

The EPIRA created the JCPC to set the guidelines and overall framework to monitor and ensure the proper implementation of the provision of the law, among others. Extending the term of existence of JCPC may be a timely initiative in view that the electric power industry is still considered in transition after almost ten years of EPIRA implementation and still facing the challenges of ensuring energy supply security and providing reasonable power rates to both the investors in the power industry and the electricity consumers. It is also stipulated in EPIRA that the DOE shall take the necessary measures to ensure that the provisions of the law are properly implemented. Thus, it is just necessary that the JCPC and DOE to work together to facilitate any amendments in the law to attain the objectives set forth.

In its request for consideration should the said resolution be approved, the DOE proposed for the JCPC to consider some priority areas to be considered by the Committee.

- ensure efficient and effective implementation of remaining structural reforms;
- provide legislative oversight and guidance on key issues;
- provide support of proposed amendments to the EPIRA; and
- provide guidance in the implementation of renewable energy act

Further to the JCPC, there are some other provisions in the EPIRA that will expire on the tenth year of its implementation as follows:

- provision of the lifeline rate to the marginalized end-users under Section 73;
- moratorium on the privatization of the Agus and Pulangui Hydropower Complexes in Mindanao under Section 47 (f); and
- moratorium on the collection of Universal Charge to Self-Generating Facilities as provided in Section 7, Rule 18 of the Implementing Rules and Regulations, as Amended

ANNEXES

Annex 1 – List of Privatized Generating/Operating Plants

Name of Plant	Rated Capacity (MW)	Location	Bid Date	Winning Bidder	Winning Bid Price (Million US$)
Talomo	3.5	Davao	25 March 2004	Hydro Electric Development Corp.	1.37
Agusan	1.6	Agusan	04 June 2004	First Generation Holdings Corp.	1.53
Barit	1.8	Camarines Sur	25 June 2004	People's Energy Services Inc.	0.48
Cawayan	0.4	Sorsogon	30 September 2004	Sorsogon II Electric Cooperative, Inc.	0.41
Loboc	1.2	Bohol	10 November 2004	Santa Clara International Corp.	1.43
Pantabangan-Masiway	112	Nueva Ecija	06 September 2006	First Generation Hydro Corp.	129.00
Magat	360	Isabela	14 December 2006	SN Aboitiz Power	530.00
Masinloc	600	Zambales	26 July 2007	Masinloc Power Partners Ltd.	930.00
Ambuklao-Binga	175	Benguet	28 November 2007	SNAP Hydro	325.00
Tiwi-Makban	747.53	Albay, Laguna/Batangas	30 July 2008	AP Renewables	446.89
Panay and Bohol *	168.5	Iloilo, Bohol	12 November 2008	SPC Power Corporation	5.86
Amlan	0.8	Negros Oriental	10 December 2008	ICS Renewables Inc.	0.23
Calaca Coal-Fired Thermal Power Plant	600.0	Batangas	08 July 2009	DMCI Holdings Inc.	361.71
PB 117*	100	Campostela Valley	31 July 2009	Therma Marine	14.00
PB 118*	100	Agusan Del Norte	31 July 2009	Therma Marine	16.00
Limay*	620	Limay, Bataan	26 August 2009	San Miguel Energy Corporation	13.50
Palinpinon-Tongonan Geothermal Power Plants	305.0	Negros Oriental, Leyte	02 September 2009	Green Core Geothermal Inc.	220.00
Naga LGBT*	55	Panay	16 October 2009	SPC Power Corporation	1.01
BacMan	150	Albay/Sorsogon	05 May 2010	Bac-Man Geothermal Inc.	28.25
TOTAL MW to be privatized - PHILIPPINES			**4,348.33**	**Total Proceeds**	**$3,026.67**
Total Luzon Visayas			**3,222.23**		
TOTAL MW to be privatized in Luzon and Visayas			**3,778.23**		
Level of Privatization in Luzon and Visayas			**85.00%**		

**Turned-over IPPs*

Note: Angat Hydro Power Plant was removed from the list of privatized plants after Supreme Court Issued its Order on 9 August 2010 denying the motion filed by PSALM to lift the May 24 order to stop the sale

Source: PSALM

Annex 2 – List of NPC-IPP Contracts with IPP Administrators

Plant	Fuel	Contracted Capacity (MW)	Location	Bid Date	Winning Bidder	Financial Bid Price (In Million US$)	Financial Bid Price (In US$/MW)
Sual	Coal	1,000.00	Pangasinan	28-Aug-09	San Miguel Energy Corp.	1,072.00	1,072,000.00
Pagbilao	Coal	700.00	Quezon	28-Aug-09	Therma Luzon Inc.	691.10	987,284.29
San Roque	Hydro	345.00	Pangasinan	15-Dec-09	Strategic Power Development Corp.	450.00	1,304,348.98
Bakun	Hydro	70.00	Ilocos Sur	15-Dec-09	Amlan Power Holdings Corp.	145.47	2,078,193.11
Benguet Mini-Hydros	Hydro	30.75	Benguet				
Ilijan	Natural Gas	1,200.00	Batangas	16-Apr-10	San Miguel Corp.	870.00	725,000.39

Annex 3 - NGCP Petitions to ERC

ERC Case No.	Date Filing	Particular	Status
2011-065 RC	20 April 2011	Approval of the ASPA between the NGCP and Green Core Geothermal Inc. with Prayer for the Issuance of Provisional Authority (PA)	May 31 – June 1, 2011 – ERC conducted the hearing (Judiciary, Expository & Evidentiary) at ERC (VFO), Cebu City there was no intervener present. The ERC instructed NGCP to submit its Formal Offer of Evidence on or before June 20, 2011.
2011-062 RC	12 April 2011	Approval of the ASPA between the NGCP and First gen Hydro Power Corporation with Prayer for the Issuance of PA	May 27, 2011 – Jurisdictional compliance, expository and pre-trial was completed and for the evidentiary NGCP has presented and conducted
2011-037RC	16 March 2011	Approval of the Leyte-Mindanao Interconnection Project-Phase I with prayer for the Issuance of PA	April 4, 2011 – Notice of Public Hearing was issued by ERC setting the application for jurisdictional hearing, expository presentation, pretrial conference and evidentiary hearing on May 2, 2011.
2010-152 RC	16 December 2010	Approval of the Maximum Allowable Revenue for Calendar Year 2011 (MAR 2011) and the Performance Incentive Scheme (PIS) compliance in accordance with the alternative form of rate setting methodology under the Rules for Setting the Transmission Wheeling Rates (RTWR), with prayer for PA	• ERC provisionally approved on 17 January 2011 the MAR of the NGCP for Calendar Year 2011 in the amount of PhP46,284.78 Million. • Continuation of evidentiary hearing NGCP agreed to present additional witness to testify on its financial data. Next hearing will be on April 7, 2011.
2009-160RC	16 November 2010	Application of the NGCP for Approval of the MAR for the calendar year 2010 in accordance with the Alternative Form of rate Setting methodology under the RTWR, with Prayer PA	No status update as of report period.
2010-136RC	15 November 2010	Approval Connection Charges and Residual Subtransmission Charges for Calendar year 2010 on the Excluded Services Covering the Existing Subtransmission Assets of the NGCP, with Prayer for PA	• Hearing on-going • On January 26, 2011 evidentiary hearing was conducted. • March 28, 2011 – the ERC per request of NGCP reset the hearing on April 11, 2011 since NGCP was not able to provide the documents requested by intervenors on time (March 14, 2011). • March 30, 2011 – Transco received a copy of NGCP's partial Compliance to ERC Order dated January 31, 2011. Among other documents NGCP submitted a re-computation of the 2006 to 2010 Connection Charges and Residual Subtransmission Charges.

Annex 4 – Summary of MERALCO 2010 Residential Unbundled Power Rates

0 to 200 kWh (P/kWh)

BILL SUBGROUP	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11
Generation	4.0539	4.9047	5.8183	6.7582	5.4862	5.5740	5.6334	6.0769	5.4113	4.3604	5.3390	5.0215	4.7883	4.8623	4.8834	5.0881
Transmission	0.7281	0.8773	0.7369	0.8195	0.7742	0.6201	0.9082	1.0067	0.9594	0.9750	1.1300	1.2845	1.0510	1.0765	1.0409	1.0469
System Loss	0.5761	0.7062	0.7755	0.8445	0.7193	0.6911	0.7011	0.7515	0.6491	0.5435	0.6665	0.6484	0.6179	0.6564	0.6415	0.6401
Distribution	1.8832	1.5017	1.5017	1.8555	1.8555	1.8555	1.8555	1.8555	1.8555	1.8555	1.8555	1.8555	2.0307	2.0307	2.0307	2.0307
Subsidies*	0.1249	0.1264	0.1388	0.1474	0.1555	0.1487	0.1219	0.1106	0.1368	0.1442	0.1328	0.1239	0.1420	0.1495	0.1566	0.1767
Universal Charge	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.0479	0.0025	0.0479	0.0479	0.0479	0.0479	0.0479
TOTAL**	**7.4665**	**8.2166**	**9.0715**	**10.525**	**9.0910**	**8.9897**	**9.3204**	**9.9015**	**9.1124**	**7.926**	**9.1263**	**8.9817**	**8.6778**	**8.8233**	**8.8010**	**9.0304**
US$ Equivalent	**0.1622**	**0.1774**	**0.1983**	**0.2359**	**0.1994**	**0.1942**	**0.2012**	**0.2191**	**0.2056**	**0.182**	**0.2098**	**0.2043**	**0.1965**	**0.2019**	**0.2022**	**0.2088**

201 to 300 kWh (P/kWh)

BILL SUBGROUP	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11
Generation	4.0539	4.9047	5.8183	6.7582	5.4862	5.5740	5.6334	6.0769	5.4113	4.3604	5.3390	5.0215	4.7883	4.8623	4.8834	5.0881
Transmission	0.7281	0.8773	0.7369	0.8195	0.7742	0.6201	0.9082	1.0067	0.9594	0.9750	1.1300	1.2845	1.0510	1.0765	1.0409	1.0469
System Loss	0.5761	0.7062	0.7755	0.8445	0.7193	0.6911	0.7011	0.7515	0.6491	0.5435	0.6665	0.6484	0.6179	0.6564	0.6415	0.6401
Distribution	2.1868	1.8053	1.8053	2.2306	2.2306	2.2306	2.2306	2.2306	2.2306	2.2306	2.2306	2.2306	2.439	2.439	2.439	2.439
Subsidies*	0.1249	0.1264	0.1388	0.1474	0.1555	0.1487	0.1219	0.1106	0.1368	0.1442	0.1328	0.1239	0.142	0.1495	0.1566	0.1767
Universal Charge	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.0479	0.0025	0.0479	0.0479	0.0479	0.0479	0.0479
TOTAL**	**7.7701**	**8.5202**	**9.3751**	**10.900**	**9.4661**	**9.3648**	**9.6955**	**10.276**	**9.4875**	**8.301**	**9.5014**	**9.3568**	**9.0861**	**9.2316**	**9.2093**	**9.4387**
US$ Equivalent	**0.1688**	**0.1840**	**0.2050**	**0.2443**	**0.2076**	**0.2023**	**0.2093**	**0.2274**	**0.2141**	**0.191**	**0.2185**	**0.2129**	**0.2057**	**0.2112**	**0.2116**	**0.2183**

301 to 400 kWh(P/kWh)

BILL SUBGROUP	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11
Generation	4.0539	4.9047	5.8183	6.7582	5.4862	5.5740	5.6334	6.0769	5.4113	4.3604	5.3390	5.0215	4.7883	4.8623	4.8834	5.0881
Transmission	0.7281	0.8773	0.7369	0.8195	0.7742	0.6201	0.9082	1.0067	0.9594	0.9750	1.1300	1.2845	1.0510	1.0765	1.0409	1.0469
System Loss	0.5761	0.7062	0.7755	0.8445	0.7193	0.6911	0.7011	0.7515	0.6491	0.5435	0.6665	0.6484	0.6179	0.6564	0.6415	0.6401
Distribution	2.4731	2.0916	2.0916	2.5844	2.5844	2.5844	2.5844	2.5844	2.5844	2.5844	2.5844	2.5844	2.8242	2.8242	2.8242	2.8242
Subsidies*	0.1249	0.1264	0.1388	0.1474	0.1555	0.1487	0.1219	0.1106	0.1368	0.1442	0.1328	0.1239	0.142	0.1495	0.1566	0.1767
Universal Charge	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.0479	0.0025	0.0479	0.0479	0.0479	0.0479	0.0479
TOTAL**	**8.0564**	**8.8065**	**9.6614**	**11.254**	**9.8199**	**9.7186**	**10.0493**	**10.630**	**9.8413**	**8.655**	**9.8552**	**9.7106**	**9.4713**	**9.6168**	**9.5945**	**9.8239**
US$ Equivalent	**0.1750**	**0.1902**	**0.2112**	**0.2522**	**0.2154**	**0.2099**	**0.2170**	**0.2353**	**0.2221**	**0.199**	**0.2266**	**0.2209**	**0.2144**	**0.2200**	**0.2205**	**0.2272**

Over 400kWh (P/kWh)

BILL SUBGROUP	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11
Generation	4.0539	4.9047	5.8183	6.7582	5.4862	5.5740	5.6334	6.0769	5.4113	4.3604	5.3390	5.0215	4.7883	4.8623	4.8834	5.0881
Transmission	0.7281	0.8773	0.7369	0.8195	0.7742	0.6201	0.9082	1.0067	0.9594	0.9750	1.1300	1.2845	1.0510	1.0765	1.0409	1.0469
System Loss	0.5761	0.7062	0.7755	0.8445	0.7193	0.6911	0.7011	0.7515	0.6491	0.5435	0.6665	0.6484	0.6179	0.6564	0.6415	0.6401
Distribution	2.9718	2.5903	2.5903	3.2006	3.2006	3.2006	3.2006	3.2006	3.2006	3.2006	3.2006	3.2006	3.495	3.495	3.495	3.495
Subsidies*	0.1249	0.1264	0.1388	0.1474	0.1555	0.1487	0.1219	0.1106	0.1368	0.1442	0.1328	0.1239	0.142	0.1495	0.1566	0.1767
Universal Charge	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.1003	0.0479	0.0025	0.0479	0.0479	0.0479	0.0479	0.0479
TOTAL**	**8.5551**	**9.3052**	**10.160**	**11.870**	**10.436**	**10.334**	**10.6655**	**11.246**	**10.457**	**9.271**	**10.4714**	**10.326**	**10.142**	**10.287**	**10.265**	**10.494**
US$ Equivalent	**0.1859**	**0.2009**	**0.2221**	**0.2660**	**0.2289**	**0.2232**	**0.2303**	**0.2489**	**0.2360**	**0.213**	**0.2408**	**0.2349**	**0.2296**	**0.2354**	**0.2359**	**0.2427**

Annex 5 - WESM Direct Participants

COMPLETE NAME	SHORT NAME	Resources	Effective Date
Generators			
1590 Energy Corporation	1590EC	Bauang Diesel Power Plant	6-Sep-10
Northern Renewables (formerly Amlan Hydro Power, Inc.)		Bakun Hydro Electric Power Plant	23-Feb-10
AP Renewables Inc. (APRI)	APRI	Makban Geothermal Power Plant	26-May-09
AP Renewables Inc. (APRI)	APRI	Tiwi Geothermal Power Plant	26-May-09
Bacman Geothermal, Inc.	BGI	Bacman Geothermal Power Plant	26-May-2011
FGP Corporation	FGP - San Lorenzo	San Lorenzo Natural Gas Power Plant	26-Jun-06
First Gas Power Corporation	FGP - Sta. Rita	Sta. Rita Natural Gas Power Plant	26-Jun-06
First Gen Hydro Power Corporation	FGHPC - Pantabangan	Pantabangan Hydro Electric Power Plant	18-Nov-06
First Gen Hydro Power Corporation	FGHPC - Masiway	Masiway Hydro Electric Power Plant	18-Nov-06
HEDCOR, Inc.	HEDCOR	Irisan 3 Hydro Electric Power Plant	26-Aug-10
HEDCOR, Inc.	HEDCOR	Sal-angan Hydro Electric Power Plant	13-Sep-10
Masinloc Power Partners Co. Ltd.	MPPCL	Masinloc Coal Fired Thermal Power Plant	17-Apr-08
National Irrigation Administration	NIA	1Niabal Hydro Electric Power Plant	26-Oct-08
National Power Corporation - ANGAT	NPC	Angat Hydro Electric Power Plant	26-Jun-06
National Power Corporation - BACMAN	NPC	Bacman Geothermal Power Plant	26-Jun-06
Northwind Power Development Corp.	NWPDC	Nwpdc Wind Power Plant	26-Nov-06
PANASIA Energy Holdings, Inc.	PANASIA	Limay Combined Cycle-Gas Turbine Power Plant	19-Jan-10
People's Energy Services, Inc.	PESI	Barit Hydro Electric Power Plant	26-Feb-11
Power Sector Assests & Liabilities Management Corp.	PSALM	Casecnan Hydro Electric Power Plant	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Hedcor Hydro Electric Power Plant	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Malaya Oil Thermal Power Plant	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Caliraya Hydro Electric Power Plant	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Leyte A (HVDC)	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Botocan Hydro Electric Power Plant	26-Jun-06
Power Sector Assests & Liabilities Management Corp.	PSALM	Kalayaan	26-Jun-06
Quezon Power Philippines (Limited) Company (QPPL)	QPPL	Qppl Coal-Fired Power Plant	26-Jun-06
San Miguel Energy Corporation (SMEC)	SMEC	Sual Coal-Fired Power Plant	6-Nov-09
SEM-Calaca Power Corporation (SCPC)	SCPC	Calaca Coal Fired Thermal Power Plant	4-Dec-09
SN Aboitiz Power - Benguet, Inc. (SN AP - Benguet)	SNAP-Benguet	Binga Hydro Electric Power Plant	11-Jul-08
SN Aboitiz Power, Inc. (SNAP - Magat)	SNAP	Magat Hydro Electric Power Plant	26-Apr-07
South Premier Power Corporation	SPPC	Ilijan Natural Gas Power Plant	26-Jun-10
Strategic Power Development Corporation	SPDC	San Roque Hydro Electric Power Plant	26-Jan-10
Therma Luzon Inc. (TLI)	TLI	Pagbilao Coal-Fired Power Plant	1-Oct-09
Trans Asia Power Generation Corporation (TAPGC)	TAPGC	Tapgc Diesel Power Plant	5-Jan-07
Udenna Management & Resource Corporation	UMRC	Subic Diesel Power Plant	17-Feb-11
Distribution Utilities			
Cabanatauan Electric Corporation	CELCOR		26-Jan-10
Dagupan Electric Corporation	DECORP		26-Nov-09
Manila Electric Company	MERALCO		26-Jun-06
Electric Cooperatives			
Albay Electric Cooperative	ALECO		26-Aug-07

Annex 5 - WESM Direct Participants

COMPLETE NAME	SHORT NAME	Resources	Effective Date
Batangas I Electric Cooperative, Inc.	BATELEC I		26-Dec-09
Batangas II Electric Cooperative, Inc.	BATELEC II		5-Mar-10
Benguet Electric Cooperative	BENECO		26-Apr-08
Camarines Norte Electric Cooperative, Inc.	CANORECO		26-May-10
Camarines Sur II Electric Cooperative	CASURECO II		6-Dec-06
Camarines Sur III Electric Cooperative	CASURECO III		26-Jan-10
Camarines Sur IV Electric Cooperative, Inc.	CASURECO IV		25-Jun-10
First Laguna Electric Cooperative, Inc.	FLECO		26-Dec-10
Ilocos Norte Electric Cooperative	INEC		26-Nov-06
Ilocos Sur Electric Cooperative	ISECO		26-Oct-10
Isabela I Electric Cooperative, Inc.	ISELCO I		26-Jul-09
Kalinga-Apayao Electric Cooperative, Inc.	KAELCO		26-Mar-09
Mountain Province Electric Cooperative, Inc.	MOPRECO		26-Dec-09
Nueva Ecija II Area I Electric Cooperative, Inc.	NEECO II - AREA I		26-Aug-09
Nueva Ecija II Electric Cooperative, Inc. - Area II	NEECO II - AREA II		26-Jul-10
Peninsula Electric Cooperative, Inc.	PENELCO		26-Nov-09
Sorsogon I Electric Cooperative, Inc.	SORECO I		26-Jun-08
Sorsogon II Electric Cooperative, Inc.	SORECO II		26-Nov-10
Tarlac I Electric Cooperative	TARELCO I		26-May-08
Tarlac II Electric Cooperative, Inc.	TARELCO II		26-Jul-09
Supplier			
Aboitiz Energy Solution, Inc.	AESI		4-Jun-07
AES Philippines Inc.	AESPI		13-Apr-08
Angeles Power Inc.	API		8-Apr-08
First Gen Energy Solutions	FGES		26-Jan-10
Manta Energy, Inc	MEI		15-Nov-10
Team (Philippines) Energy Corporation	TPEC		2-Jan-08
Trans-Asia Oil and Development Corporation	TAO		20-Sep-07
Bulk User			
Pilipinas Shell Petroleum Corporation	PSPC		26-Oct-10
Team Energy Corporation (Pagbilao Reserve Auxiliary Transformer)	TEC-RAT		26-Sep-10
First Gen Hydro Corporation (Pantabangan Housing)	FGHC - Pantabangan Housing		26-Feb-11

Annex 6 - Indirect Participants

COMPLETE NAME	SHORT NAME	EFFECTIVE DATE
Distribution Utilities		
Angeles Electric Corporation	AEC	5-Sep-06
San Fernando Electric Light & Power Co.,	SFELAPCO	26-Oct-10
La Union Electric Corporation	LUECO	25-Sep-09
Tarlac Electric Inc.	TEI	20-Sep-10
Electric Cooperatives		
Abra Electric Cooperative	ABRECO	31-Oct-06
Aurora Electric Cooperative, Inc.	AURELCO	26-Aug-10
Central Pangasinan Electric Cooperative	CENPELCO	22-Sep-06
Ifugao Electric Cooperative, Inc.	IFELCO	26-Nov-10
Pampanga I Electric Cooperative, Inc.	PELCO I	20-Sep-10
Pampanga Rural Elrctric Service Coopereative	PRESCO	26-Aug-10
Pangasinan I Electric Cooperative	PANELCO I	4-Oct-06
Pangasinan III Electric Cooperative	PANELCO III	31-Oct-06
Quirino Electric Cooperative, Inc.	QUIRELCO	26-Nov-10

Annex 6 - Indirect Participants

COMPLETE NAME	SHORT NAME	EFFECTIVE DATE
San Jose City Electric Cooperative, Inc.	SAJELCO	15-Oct-10
Zambales I Electric Cooperative, Inc.	ZAMECO I	26-Jul-10
Zambales II Electric Cooperative, Inc.	ZAMECO II	26-Nov-10
Bulk User		
Albay Agro-Industrial Development Corporation	ALINDECO	8-Nov-10
Atlantic Gulf & Pacific Company of Manila, Inc.	AG&P	26-Oct-10
Babcock – Hitachi Philippines, Inc.	BHPI	15-Oct-10
Batangas Bay Terminal, Inc.	BBTI	14-Feb-11
Bicol Ice Incorporated	BII	26-Oct-10
Coastal Bay Chemicals, Inc.	CBCI	15-Oct-10
Currimao Aluminum Corporation	CAC	8-Nov-10
ECSCO, Inc.	ECSCO	15-Nov-10
Edong Cold Storage and Ice Plant	ECOSIP	15-Nov-10
EEI Corporation	EEI	21-Mar-11
Formosa Ceramic Tiles MFG. Corp.	FCTMC	15-Nov-10
Goodfound Cement Corporation	GCC	15-Nov-10
High Street (SPV-AMC), Inc.	HIGH ST	26-Sep-10
Holcim Philippines, Inc.	HPHI	12-Mar-07
INGASCO, Inc.	INGASCO	15-Oct-10
International Rice Research Institute	IRRI	26-Sep-10
JORAM, Inc.	JORAM	26-Nov-10
Melters Steel Corporation	MSC	26-Oct-10
Oliver Enterprises	OLIVER	15-Mar-11
Partido Rice Mill Corporation	PRMC	20-Sep-10
Petron Corporation	PETRON	26-Oct-10
Philippine Hydro (pH), Inc.	PHIL HYDRO	26-Oct-10
Purity Ice Plant & Cold Storage	PIP	15-Oct-10
Puyat Steel Corporation	PSC	7-Mar-11
Republic Cement Corporation	RCC	11-Apr-11
SKK Steel Corporation	SKK	15-Oct-10
Steel Corporation of the Philippines	SCP	26-Mar-11
Stronghold Steel Corporation	STRONGHOLD	15-Feb-11
The Authority of the Freeport Area of Bataan	AFAB	8-Nov-10

Annex 7 - Intending WESM Participants

COMPLETE NAME	SHORT NAME
Philippine National Oil Company	PNOC
GN Power Ltd. Co.	GNPOWER
Premier_Energy Resources Corporation	PERC
Global Green Power PLC Corporation	GGP
Montalban Methane Power Corporation	MMPC

Annex 8 - Metered Quantity, Spot Quantity, Bilateral Quantity (MWh)

Billing Month		Metered Quantity (Load), MWh	Spot Quantity (Load), MWh	%	Bilateral Contract Quantity, MWh	%
1	Jul-2006	3,094,164.95	1,355,434.37	44%	1,738,730.58	56%
2	Aug-2006	3,147,800.36	1,159,428.23	37%	1,988,372.13	63%
3	Sep-2006	3,314,855.13	1,291,334.84	39%	2,023,520.30	61%
4	Oct-2006	2,873,285.25	1,224,467.60	43%	1,648,817.65	57%
5	Nov-2006	3,234,958.03	1,069,288.10	33%	2,165,669.93	67%
6	Dec-2006	2,972,091.65	519,152.06	17%	2,452,939.59	83%
7	Jan-2007	3,035,805.04	589,925.05	19%	2,445,879.99	81%
8	Feb-2007	3,102,610.89	510,281.30	16%	2,592,329.59	84%
9	Mar-2007	2,980,658.77	536,155.65	18%	2,444,503.12	82%
10	Apr-2007	3,407,504.68	698,602.96	21%	2,708,901.72	79%
11	May-2007	3,460,944.49	503,878.03	15%	2,957,066.46	85%
12	Jun-2007	3,561,655.99	805,535.91	23%	2,756,120.08	77%
13	Jul-2007	3,408,973.90	531,237.60	16%	2,877,736.29	84%
14	Aug-2007	3,286,050.22	460,225.65	14%	2,825,824.57	86%
15	Sep-2007	3,362,494.13	358,578.07	11%	3,003,916.06	89%
16	Oct-2007	3,229,031.96	247,585.19	8%	2,981,446.77	92%
17	Nov-2007	3,204,655.78	346,596.90	11%	2,858,058.88	89%
18	Dec-2007	3,083,441.24	371,343.26	12%	2,712,097.98	88%
19	Jan-2008	3,131,009.80	411,372.54	13%	2,719,637.26	87%
20	Feb-2008	3,212,635.82	454,532.74	14%	2,758,103.08	86%
21	Mar-2008	3,041,008.30	354,398.37	12%	2,686,609.93	88%
22	Apr-2008	3,634,855.57	634,329.07	17%	3,000,526.50	83%
23	May-2008	3,323,367.13	356,234.23	11%	2,967,132.90	89%
24	Jun-2008	3,538,106.32	400,132.11	11%	3,137,974.21	89%
25	Jul-2008	3,435,104.78	408,863.87	12%	3,026,240.91	88%
26	Aug-2008	3,399,912.16	372,803.00	11%	3,027,109.16	89%
27	Sep-2008	3,530,050.75	511,447.58	14%	3,018,603.17	86%
28	Oct-2008	3,421,671.57	466,154.42	13.6%	2,955,517.15	86%
29	Nov-2008	3,447,266.38	535,759.02	15.5%	2,911,507.37	84%
30	Dec-2008	3,151,245.74	545,175.13	17.3%	2,606,070.61	83%
31	Jan-2009	2,906,720.56	604,622.65	20.8%	2,302,097.92	79%
32	Feb-2009	3,358,810.66	766,465.14	22.8%	2,592,345.53	77%
33	Mar-2009	3,222,969.29	537,701.69	16.7%	2,685,267.60	83%
34	Apr-2009	3,503,547.55	414,910.72	11.8%	3,088,636.83	88%
35	May-2009	3,463,438.29	516,030.34	14.9%	2,947,407.95	85%
36	Jun-2009	3,608,313.89	475,456.08	13.2%	3,132,857.82	87%
37	Jul-2009	3,538,571.31	357,675.26	10.1%	3,180,896.05	90%
38	Aug-2009	3,671,459.51	586,189.83	16.0%	3,085,269.69	84%
39	Sep-2009	3,652,903.81	486,078.85	13.3%	3,166,824.96	87%
40	Oct-2009	3,347,101.84	512,979.44	15.3%	2,834,122.40	85%
41	Nov-2009	3,575,986.76	474,059.82	13.3%	3,101,926.94	87%

Annex 8 - Metered Quantity, Spot Quantity, Bilateral Quantity (MWh)

Billing Month		Metered Quantity (Load), MWh	Spot Quantity (Load), MWh	%	Bilateral Contract Quantity, MWh	%
42	Dec-2009	3,381,576.00	447,970.83	13.2%	2,933,605.16	87%
43	Jan-2010	3,391,691.08	464,968.76	13.7%	2,926,722.32	86%
44	Feb-2010	3,709,258.54	678,908.20	18.3%	3,030,350.34	82%
45	Mar-2010	3,496,870.27	479,469.01	13.7%	3,017,401.26	86%
46	Apr-2010	3,785,877.48	587,784.31	15.5%	3,198,093.17	84%
47	May-2010	4,025,236.25	632,741.76	15.7%	3,392,494.49	84%
48	Jun-2010	4,120,067.20	711,151.61	17.3%	3,408,915.59	83%
49	Jul-2010	3,705,460.47	594,644.27	16.0%	3,110,816.20	84%
50	Aug-2010	3,900,844.43	462,747.56	11.9%	3,438,096.86	88%
51	Sep-2010	3,893,171.32	321,815.88	8.3%	3,571,355.44	92%
52	Oct-2010	3,721,843.57	363,704.17	9.8%	3,358,139.40	90%
53	Nov-2010	3,791,123.99	448,742.73	11.8%	3,342,381.26	88%
54	Dec-2010	3,618,918.64	403,623.82	11.2%	3,215,294.82	89%
55	Jan-2011	4,065,400.56	272,481.78	6.7%	3,792,918.77	93%
56	Feb-2011	4,405,384.21	470,203.49	10.7%	3,935,180.72	89%
57	Mar-2011	4,072,738.35	263,789.55	6.5%	3,808,948.79	94%

Source: PEMC

Annex 9 - Demand And Energy Offers (MW)

Billing Month		Peak Demand	Coincidental Energy Offers	Average Demand	Average Energy Offers	Average Capacity on Outage
1	Jul-2006	6,111	7,185	4,778	6,242	2,634
2	Aug-2006	5,888	5,950	4,634	6,027	2,094
3	Sep-2006	6,113	6,705	4,887	6,446	1,743
4	Oct-2006	5,895	6,653	4,323	5,818	1,866
5	Nov-2006	5,894	5,808	4,715	5,769	2,223
6	Dec-2006	5,869	5,925	4,468	5,257	3,188
7	Jan-2007	5,739	5,794	4,407	5,250	1,815
8	Feb-2007	6,021	5,965	4,529	5,371	1,737
9	Mar-2007	6,108	5,747	4,845	5,362	1,846
10	Apr-2007	6,559	6,268	4,991	5,284	1,769
11	May-2007	6,590	6,831	5,249	5,766	770
12	Jun-2007	6,547	6,308	5,187	5,631	1,137
13	Jul-2007	6,413	5,384	5,124	5,099	1,454
14	Aug-2007	6,339	6,015	4,880	5,675	953
15	Sep-2007	6,376	6,073	4,894	5,568	1,440
16	Oct-2007	6,103	6,260	4,872	5,723	1,725
17	Nov-2007	6,088	5,964	4,659	5,833	1,608
18	Dec-2007	6,092	5,989	4,645	5,529	1,106
19	Jan-2008	5,949	6,495	4,564	5,594	1,166
20	Feb-2008	6,034	5,880	4,676	5,410	1,618
21	Mar-2008	6,205	5,664	4,725	5,337	1,800
22	Apr-2008	6,619	6,584	5,301	5,949	1,149
23	May-2008	6,590	7,141	5,035	6,344	967
24	Jun-2008	6,681	6,733	5,159	6,639	860
25	Jul-2008	6,512	6,401	5,164	5,909	1,168
26	Aug-2008	6,373	6,795	4,948	6,189	1,459
27	Sep-2008	6,448	6,516	5,120	6,534	1,300
28	Oct-2008	6,520	6,316	5,124	5,825	1,845
29	Nov-2008	6,395	6,361	4,986	5,828	1,204
30	Dec-2008	6,338	6,826	4,711	6,327	946
31	Jan-2009	6,050	6,512	4,191	5,603	1,472
32	Feb-2009	6,421	6,240	4,853	5,969	1,281
33	Mar-2009	6,638	6,721	5,167	6,315	1,104
34	Apr-2009	6,810	7,220	5,068	6,374	1,383
35	May-2009	6,842	7,493	5,157	6,788	1,250
36	Jun-2009	6,932	7,374	5,203	6,876	1,432
37	Jul-2009	6,819	7,482	5,258	6,875	980
38	Aug-2009	6,833	7,263	5,255	6,692	1,577
39	Sep-2009	6,870	7,044	5,228	7,007	1,592
40	Oct-2009	6,501	6,532	4,935	6,511	2,427
41	Nov-2009	6,585	7,474	5,141	6,912	1,024
42	Dec-2009	6,564	7,195	5,070	6,720	1,176

Annex 9 - Demand And Energy Offers (MW)

Billing Month		Peak Demand	Coincidental Energy Offers	Average Demand	Average Energy Offers	Average Capacity on Outage
43	**Jan-2010**	6,391	6,266	4,902	5,813	2,071
44	**Feb-2010**	6,877	6,783	5,435	5,592	2,520
45	**Mar-2010**	7,037	6,347	5,683	5,864	1,867
46	**Apr-2010**	7,296	7,169	5,574	6,079	1,696
47	**May-2010**	7,558	7,152	6,101	6,932	631
48	**Jun-2010**	7,643	7,791	6,027	6,618	1,245
49	**Jul-2010**	7,242	7,447	5,605	6,247	1,712
50	**Aug-2010**	7,042	7,049	5,699	6,780	1,737
51	**Sep-2010**	7,039	7,170	5,656	6,480	2,193
52	**Oct-2010**	7,044	6,731	5,576	5,986	2,445
53	**Nov-2010**	6,842	6,857	5,512	6,229	2,214
54	**Dec-2010**	6,902	7,028	5,543	6,354	2,121
55	**Jan-2011**	6,587	6,778	5,035	6,298	2,028
56	**Feb-2011**	6,864	7,161	6,796	5,366	1,935
57	**Mar-2011**	6,973	7,655	5,484	7,279	1,842

Source: PEMC

Note: For the average capacity on outage column, data for the previous months pertain to outage based on ACNO (available capacity not offered)
Starting Feb 2010, data will be based on per unit; the same is also published in monthly reports and WESM exchange.

Annex 10 - Generation Mix (%)

Billing Month		Hydro	Geo	Coal	Nat Gas	D/O	Wind	Biofuel
1	Jul-06	12.53%	9.28%	33.67%	43.16%	1.27%	0.09%	
2	Aug-06	21.78%	8.89%	24.27%	44.91%	0.08%	0.07%	
3	Sep-06	18.37%	9.29%	29.71%	42.49%	0.09%	0.04%	
4	Oct-06	13.81%	6.34%	28.65%	49.74%	1.25%	0.21%	
5	Nov-06	15.72%	7.03%	26.93%	47.25%	2.90%	0.17%	
6	Dec-06	17.15%	6.58%	30.53%	35.12%	10.24%	0.38%	
7	Jan-07	11.72%	6.61%	30.30%	50.47%	0.61%	0.30%	
8	Feb-07	10.76%	9.57%	28.08%	49.97%	1.46%	0.15%	
9	Mar-07	8.62%	9.46%	33.48%	45.65%	2.66%	0.14%	
10	Apr-07	6.67%	8.83%	31.52%	46.03%	6.84%	0.11%	
11	May-07	5.12%	7.47%	36.34%	48.21%	2.80%	0.06%	
12	Jun-07	9.29%	8.88%	32.39%	44.63%	4.80%	0.02%	
13	Jul-07	8.93%	9.57%	32.21%	39.69%	9.56%	0.04%	
14	Aug-07	9.29%	10.14%	33.72%	44.87%	1.88%	0.09%	
15	Sep-07	11.80%	10.62%	29.68%	47.24%	0.61%	0.04%	
16	Oct-07	16.15%	11.26%	31.15%	39.86%	1.35%	0.23%	
17	Nov-07	17.07%	11.54%	31.76%	38.46%	0.91%	0.28%	
18	Dec-07	16.09%	11.71%	30.97%	37.42%	3.61%	0.20%	
19	Jan-2008	11.32%	11.60%	31.77%	43.24%	1.83%	0.25%	
20	Feb-2008	11.76%	11.48%	29.86%	43.77%	2.86%	0.26%	
21	Mar-2008	11.92%	10.85%	21.28%	52.86%	2.88%	0.21%	
22	Apr-2008	7.68%	9.93%	29.26%	48.43%	4.63%	0.07%	
23	May-2008	12.08%	10.07%	27.65%	49.28%	0.85%	0.08%	
24	Jun-2008	14.92%	10.23%	28.65%	45.09%	1.09%	0.03%	
25	Jul-2008	12.88%	9.40%	29.65%	42.99%	5.04%	0.04%	
26	Aug-2008	15.07%	11.42%	21.23%	47.02%	5.18%	0.08%	
27	Sep-2008	14.91%	10.41%	24.68%	45.40%	4.54%	0.05%	
28	Oct-2008	15.37%	9.31%	32.54%	39.82%	2.84%	0.12%	
29	Nov-2008	10.92%	9.59%	36.02%	40.69%	2.61%	0.18%	
30	Dec-2008	11.44%	9.28%	33.34%	45.08%	0.57%	0.29%	
31	Jan-2009	11.61%	12.99%	36.68%	37.97%	0.34%	0.40%	
32	Feb-2009	10.16%	10.24%	35.38%	42.23%	1.81%	0.17%	
33	Mar-2009	7.77%	10.10%	32.95%	46.79%	2.31%	0.09%	
34	Apr-2009	6.17%	9.72%	32.54%	46.65%	4.76%	0.15%	
35	May-2009	11.42%	8.92%	29.58%	44.95%	4.95%	0.17%	
36	Jun-2009	14.27%	8.46%	26.88%	45.88%	4.44%	0.08%	
37	Jul-2009	13.85%	8.33%	30.58%	45.82%	1.38%	0.04%	
38	Aug-2009	17.95%	7.75%	26.92%	43.92%	3.42%	0.04%	
39	Sep-2009	17.01%	7.12%	24.69%	47.59%	3.56%	0.04%	
40	Oct-2009	21.46%	8.08%	20.64%	46.80%	2.92%	0.11%	
41	Nov-2009	11.41%	8.84%	30.12%	46.82%	2.62%	0.19%	
42	Dec-2009	9.76%	8.91%	30.80%	48.50%	1.79%	0.24%	
43	Jan-2010	9.58%	9.76%	30.48%	45.93%	3.97%	0.28%	

Annex 10 - Generation Mix (%)

Billing Month		Hydro	Geo	Coal	Nat Gas	D/O	Wind	Biofuel
44	**Feb-2010**	8.19%	8.04%	42.71%	32.69%	8.27%	0.10%	
45	**Mar-2010**	6.45%	8.56%	46.90%	28.70%	9.30%	0.08%	
46	**Apr-2010**	4.53%	7.46%	43.11%	37.75%	7.00%	0.15%	
47	**May-2010**	3.86%	6.51%	44.52%	40.50%	4.57%	0.04%	
48	**Jun-2010**	4.69%	6.46%	42.54%	40.69%	5.58%	0.04%	
49	**Jul-2010**	8.75%	6.47%	35.74%	41.20%	7.81%	0.02%	
50	**Aug-2010**	11.25%	6.51%	35.38%	41.44%	5.28%	0.14%	
51	**Sep-2010**	11.36%	6.56%	33.22%	44.17%	4.62%	0.06%	
52	**Oct-2010**	9.87%	7.46%	33.21%	43.92%	5.46%	0.08%	
53	**Nov-2010**	12.15%	7.51%	34.93%	42.51%	2.64%	0.26%	
54	**Dec-2010**	9.70%	7.70%	37.60%	42.70%	2.00%	0.30%	
55	**Jan-2011**	8.30%	18.00%	39.10%	33.10%	1.10%	0.30%	0.006%
56	**Feb-2011**	7.66%	16.58%	34.94%	39.66%	0.93%	0.22%	0.009%
57	**Mar-2011**	7.07%	15.25%	38.49%	38.16%	0.72%	0.25%	0.071%

Source: PEMC

Annex 11 - Effective Settlement Prices (PhP/MWh)

Billing Month		ESP (w/ Surplus)	ESP (w/o Surplus)	Cumulative Average ESP
1	Jul-2006	3,255.36	3,094.12	3,152
2	Aug-2006	3,767.94	3,577.67	3,373
3	Sep-2006	4,129.05	4,129.05	3,624
4	Oct-2006	4,159.09	4,159.09	3,750
5	Nov-2006	6,092.03	5,746.92	4,115
6	Dec-2006	9,807.99	8,731.92	4,542
7	Jan-2007	3,981.62	3,791.67	4,481
8	Feb-2007	4,932.45	4,810.36	4,501
9	Mar-2007	5,936.19	5,370.34	4,560
10	Apr-2007	8,738.61	8,592.97	4,871
11	May-2007	7,555.25	6,484.51	4,962
12	Jun-2007	7,164.04	6,031.63	5,062
13	Jul-2007	8,768.71	8,350.31	5,223
14	Aug-2007	4,626.97	4,348.65	5,196
15	Sep-2007	4,309.14	3,538.37	5,147
16	Oct-2007	6,244.44	3,599.09	5,119
17	Nov-2007	5,276.00	2,618.23	5,056
18	Dec-2007	6,793.73	6,425.61	5,098
19	Jan-2008	2,551.23	2,278.66	5,010
20	Feb-2008	5,729.20	5,389.93	5,024
21	Mar-2008	6,723.81	6,373.18	5,060
22	Apr-2008	6,006.01	5,545.63	5,085
23	May-2008	2,315.63	1,734.50	5,005
24	Jun-2008	3,370.16	2,100.68	4,933
25	Jul-2008	16,600.93	7,872.34	5,037
26	Aug-2008	4,124.77	4,124.77	5,016
27	Sep-2008	3,911.62	3,911.62	4,981
28	Oct-2008	4,009.38	4,009.38	4,955
29	Nov-2008	5,520.95	4,833.61	4,954
30	Dec-2008	1,244.97	786.69	4,831
31	Jan-2009	1,881.33	1,797.76	4,733
32	Feb-2009	3,062.87	2,893.06	4,662
33	Mar-2009	3,395.09	2,774.35	4,614
34	Apr-2009	4,350.10	3,798.38	4,598
35	May-2009	2,871.07	2,516.38	4,548
36	Jun-2009	2,519.61	2,207.39	4,497
37	Jul-2009	3,294.88	2,041.02	4,459
38	Aug-2009	2,291.13	1,986.39	4,395
39	Sep-2009	2,080.29	1,148.78	4,328
40	Oct-2009	1,445.37	1,396.63	4,264
41	Nov-2009	2,287.51	2,089.83	4,221
42	Dec-2009	3,656.20	3,304.74	4,205

Annex 11 - Effective Settlement Prices (PhP/MWh)

Billing Month		ESP (w/ Surplus)	ESP (w/o Surplus)	Cumulative Average ESP
43	**Jan-2010**	4,559.03	4,425.10	4,209
44	**Feb-2010**	11,286.94	10,999.48	4,393
45	**Mar-2010**	13,383.73	12,253.53	4,541
46	**Apr-2010**	8,873.98	8,725.72	4,635
47	**May-2010**	8,467.56	7,933.40	4,714
48	**Jun-2010**	8,737.16	8,265.95	4,807
49	**Jul-2010**	10,542.92	9,089.57	4,902
50	**Aug-2010**	5,952.68	5,034.90	4,906
51	**Sep-2010**	8,980.91	7,508.47	4,936
52	**Oct-2010**	10,276.10	9,543.00	4,993
53	**Nov-2010**	7,492.27	7,011.72	5,024
54	**Dec-2010**	6,824.19	6,394.00	5,043
55	**Jan-2011**	5,201.11	4,060.59	5,035
56	**Feb-2011**	4,628.25	4,505.51	
57	**Mar-2011**	4,644.16	4,414.08	

Source: PEMC

Annex 12 - Capacity Mix by Grid, 1st Semester 2010

GRID	PLANT TYPE	Capacity (MW)		Percent Share (%)	
		Installed	Dependable	Installed	Dependable
Luzon	Coal	3,849	3,531	32.45	33.72
	Oil Based	1,984	1,586	16.72	15.80
	Diesel	614	343	5.17	3.33
	Oil Thermal	650	646	5.48	6.31
	Gas Turbine	720	596	6.07	6.16
	Natural Gas	2,861	2,756	23.86	26.39
	Geothermal	884	451	7.47	4.21
	Hydro	2,346	2,101	19.22	19.54
	Wind	33	20	0.28	0.32
	Biomass	8	5	0.01	0.01
	TOTAL	11,965	10,450		
Visayas	Coal	786	501	10.76	10.99
	Oil Based	615	464	33.85	30.59
	Diesel	560	422	30.83	27.14
	Gas Turbine	55	42	3.03	3.45
	Geothermal	964	751	53.05	56.86
	Hydro	13	13	0.73	0.94
	Biomass	29	15	1.61	0.62
	TOTAL	2,407	1,745		
Mindanao	Coal	232	212	12.03	12.38
	Oil Based	594	438	30.81	28.61
	Diesel	594	438	30.81	28.61
	Geothermal	103	100	5.35	5.79
	Hydro	1,040	907	51.76	53.16
	Solar	1	1	0.05	0.06
	TOTAL	1,971	1,658		
Philippines	Coal	4,867	4,245	29.78	30.64
	Oil Based	3,193	2,488	19.54	17.96
	Diesel	1,768	1,204	10.82	8.69
	Oil Thermal	650	646	3.98	4.66
	Gas Turbine	775	638	4.74	4.61
	Natural Gas	2,861	2,756	17.51	19.89
	Geothermal	1,951	1,302	11.94	9.40
	Hydro	3,400	3,021	20.80	21.81
	Wind	33	20	0.20	0.14
	Solar	1	1	0.01	0.01
	Biomass	38	20	0.23	0.15
	TOTAL	16,343	13,853		

Note:

Installed Capacity for NPC/NPC-IPP as per NPC Power Economics Dept. data.

Dependable capacity of NPC/NPC-IPP based in 2010 NGCP-Daily Operations Report Maximum Available Capacity

Non-NPC Installed and Dependable Capacity based on submitted 2010 Monthly Operations Report

Excluding off-grid generators

Annex 13 - Electricity Generation

GRID	PLANT TYPE	2010		2009		Difference	
		MWh	% Share	MWh	% Share	MWh	%
Luzon	Coal	20,046,584	39.88	14,091,376	31.33	5,955,208	42.26
	Oil-based	3,287,173	6.54	1,864,281	4.15	1,422,891	76.32
	Natural Gas	19,517,854	38.83	19,886,827	44.22	(368,973)	(1.86)
	Geothermal	3,323,495	6.61	3,515,964	7.82	(192,469)	(5.47)
	Hydro	4,013,529	7.98	5,549,227	12.34	(1,535,698)	(27.67)
	Wind	61,717	0.12	64,428	0.14	(2,711)	(4.21)
	Biomass	14,375	0.03	2,752		11,622	422.25
	Total Generation	**50,264,725**		**44,974,855**		**5,289,870**	**11.76**
Visayas	Coal	1,528,682	16.84	822,007	9.42	706,675	85.97
	Oil-based	1,726,580	19.03	1,863,970	21.37	(137,390)	(7.37)
	Geothermal	5,771,218	63.59	5,984,957	68.60	(213,739)	(3.57)
	Hydro	35,889	0.40	42,406	0.49	(6,517)	(15.37)
	Biomass	12,896	0.14	10,957		1,938	17.69
	Total Generation	**9,075,264**		**8,724,298**		**350,966**	**4.02**
Mindanao	Coal	1,725,839	20.54	1,562,753	18.98	163,087	10.44
	Oil-based	2,087,250	24.84	1,652,415	20.07	434,835	26.32
	Geothermal	834,439	9.93	822,926	9.99	11,513	1.40
	Hydro	3,753,987	44.68	4,195,934	50.95	(441,947)	(10.53)
	Solar	1,254	0.01	1,252	0.02	2	0.18
	Total Generation	**8,402,769**		**8,235,278**		**167,491**	**2.03**
Philippines	Coal	23,301,105	34.40	16,476,136	26.60	6,824,969	41.42
	Oil-based	7,101,002	10.48	5,380,666	8.69	1,720,336	31.97
	Natural Gas	19,517,854	28.81	19,886,827	32.11	(368,973)	(1.86)
	Geothermal	9,929,152	14.66	10,323,847	16.67	(394,695)	(3.82)
	Hydro	7,803,405	11.52	9,787,567	15.80	(1,984,162)	(20.27)
	Wind	61,717	0.09	64,428	0.10	(2,711)	(4.21)
	Biomass	27,270	0.04	13,710	0.02	13,560	98.91
	Solar	1,254	0.00	1,252	0.00	2	0.18
	Total Generation	**67,742,759**		**61,934,432**		**5,808,327**	**9.38**

Note:
Generation data includes grid connected, embedded and off-grid generator.

Annex 12 – Private Sector Initiated Power Projects – COMMITTED

Name of the Project	Project Proponent	Location	Rated Capacity	Fuel/Energy Source	Project Status	Target Commissioning
Luzon						
2 X 300 MW Coal-Fired Power Plant	GN Power	Mariveles, Bataan	600	Coal	Under construction	January 2013
Visayas						
3 X 82 MW CFB Power Plant Expansion Project *Unit I - (1 X 82 MW)* *Unit II - (1 X 82 MW)* *Unit III - (1 X 82 MW)*	Cebu Energy Development Corporation	Brgy. Daanlungsod, Toledo City, Cebu	246	Coal	For testing and commissioning. Already injecting power to the grid.	March 2011
Cebu Coal-Fired Power Plant, Phils *Unit I - (1 X 100 MW)* *Unit II - (1 X 100 MW)*	KEPCO SPC Power Corporation	Naga, Cebu	200	Coal	98% completed.	Unit 1 - March 2011 Unit 2 - April 2011
2 X 82 MW CFB Power Plant	Panay Energy Development Corporation	Brgy. Ingore, La Paz, Iloilo	164	Coal	Under testing and commissioning	March 2011
Mindanao						
2 X 100 MW Southern Mindanao Coal Fired Power Station	Conal Holdings Corp.	Maasim, Sarangani	200	Coal	Construction of phase I will start April 2011; Various permits obtained	Phase I - 2014 Phase II -2015
2 X 4 MW Cabulig Mini-Hydro Power Plant	Mindanao Energy Systems, Inc.	Plaridel, Jasaan, Misamis Oriental	8	Hydropower	RE Service contract from DOE obtained; civil works started in November 2009; actual accomplishments as of Dec. 2010 is 27.33%	Dec. 31, 2011
Mindanao 3 Geothermal	Energy Development Corporation	Kidapawan, North Cotabato	50	Geothermal	Ongoing resource assessment; DENR ECC obtained; Land use permits obtained	3rd Qtr. Of 2014

Annex 13 – Private Sector Initiated Power Projects – INDICATIVE

Name of the Project	Project Proponent	Location	Rated Capacity	Fuel/Energy Source	Project Status	Target Commissioning
Luzon						
Burgos Wind Power Project Unit I - (1 X 6 MW) Unit II - (1 X 40 MW) Unit III - (1 X 40 MW)	Energy Development Corporation	Saoit, Burgos, Ilocos Norte	86	Wind	DOE Service contracts obtained; DENR-ECC obtained; LGU endorsement obtained; Water rights filed with NWRB;	4th Quarter of 2013 (subject to FIT)
4 X 50 MW Wind Farm Power Project	Energy World International, Ltd	Gen. Nakar, Quezon Province	200	Wind	On-going securing permits: ECC,	June 2014
2 X 100 MW Gas Turbine Power Project 2 X 50 MW Steam Turbine Power Project	Energy World International, Ltd	Brgy. Ibabang Polo, Grande Island, Pagbilao, Quezon	300	LNG	Various permits obtained; with financing from Standard Chartered Bank; awaiting DOE's permits for the LNG terminal	December 2012
2 X 17.5 MW Nueva Ecija Biomass Power Project	Green Power Nueva Ecija Philippines, Inc.	Brgy. Tambo-Tabuating, San Leonardo, Nueva Ecija	35	Biomass	Various permits issued, MOA on the Establishment of Trust Account Obtained; ECC issued, Biomass Supply Contract obtained	September 2013
Tanawon Geothermal Project	Energy Development Corporation	Bacman Geothermal Field, Sorsogon	40	Geothermal	ECC certificate ongoing; LGU endorsement obtained;Water rights secured; turnkey contract for bidding	3rd Quarter of 2015
2 X 300 MW Coal-Fired Power Plant	Redondo Peninsula Energy, Inc.	Sitio Naglatore, Cawag, Subic	600	Coal	Environmental Compliance Certificate, Grid Impact Studies, other permits obtained; on-going financing arrangements; on-going selection of EPC contractor	Phase I - January 2014 Phase II - June 2014
Kanan B1 Hydro Power Project Unit I - 145 MW (Run-off) Unit II - 70 MW (Contained)	Energy World International, Ltd	Gen. Nakar, Quezon Province	215	Hydropower	Securing necessary permits/requirements; with financing from Standard Chartered Bank	December 2014
Puting Bato Coal Fired Power Plant	Trans-Asia Oil and Energy Development Corporation	Brgy. Puting Bato West, Calaca, Batangas	135	Coal	Securing necessary permits/requirements; with financing from Standard Chartered Bank	September 2013
CIP 2 Holcim Diesel Power Plant_CIP II POWER CORP.	Trans-Asia Oil and Energy Development Corporation	Bacnotan, La Union	21	Diesel	Completed ECC Ongoing GIS; EPC contractor awarded; financing from internal funds	December 2011
Mauban Wind Farm Project	Quezon Power Phils.	Mauban, Quezon	12	Wind	Gathering of registration requirements	2014
Quezon Power Expansion Project	Quezon Power Phils.	Mauban, Quezon	500	Coal	Development Stage	2016

Rangas Geothermal Project	Energy Development Corporation	Bacman Geothermal Field, Sorsogon	40	Geothermal	ECC certificate ongoing LGU endorsement obtained; Water rights secured; Turnkey contract for bidding	3rd Qtr. Of 2015
Manito-Kayabon Geothermal Project	Energy Development Corporation	Bacman Geothermal Field, Sorsogon	40	Geothermal	ECC certificate obtained; LGU endorsement obtained; Water rights secured;	1st Qtr. Of 2017
2 X 300 Masinloc Expansion	AES Masinloc Power Partners Co., Inc.	Zambales	600	Coal	Grid Impact Studies obtained; Undergoing consultation with international / local banks.	Unit 3 (300 MW) - 2nd Quarter 2015 Unit 4 (300 MW) - 2nd Quarter 2018
VISAYAS						
Green Power Panay	Green Power Panay Philippines, Inc.	Brgy. Cabalabaguan, Mina, Iloilo	35	Biomass	Various permits obtained; with Energy Supply Agreement with Ileco I and Ileco II; Biomass supply contract obtained; on-going negotiation with NGCP on the GIS	December 2012
Nasulo Geothermal	Energy Development Corporation	Nasuji, Valencia, Negros Oriental	20	Geothermal	Obtaining necessary permits and requirements; Turnkey contracts for bidding	4th Qtr. Of 2013
Negros Biomass Power Project Phase 2	Green Power Negros Philippines, Inc.	Negros	35	Biomass	Obtaining necessary permits, negotiation with NGCP on the conduct of GIS is on-going; negotiation with local banks for financing is on-going	December 2013
Villasiga HEP	Sunwest Water & Electric Co., Inc.	Sibalom, Antique	8	Hydropower	LGU endorsement done; Water Permit done; Reconnaisance Permit done; ECC certificate done; DOE Hydropower Service Contract done; BOI Registration done; with financing from Land Bank of the Philippines	December 2011
Dauin Geothermal	Energy Development Corporation	Dauin, Negros Oriental	40	Geothermal	On-going feasibility studies; LGU endorsement obtained; water rights obtained	2017
Mindanao						
2 X 13.75 MW Bunker Fired Power Plant	Mindanao Energy Systems, Inc.	Tablon, Cagayan de Oro	27.5	Oil	Waiting for ERC approval on the Power Supply Agreement	July 2011

27.5 MW Tamugan Hydropower Project *(20 MW Tamugan Plant & 7.5 MW Panigan Plant)*	Hedcor	Baguio District, Davao City	27.5	Hydropower	Permits/government requirements already obtained: Certificate of Endorsement from DOE, GIS by TransCo, registered asPioneering project from BOI	July 2011
Agus 3 Hydroelectric Plant	Lanao Hydropower Development Corporation	Lanao del Norte	225	Hydropower	Updated feasibility study; secured ECC; signed Joint Sales agreement with NPC	2011
Bukidnon Biomass Power Project	Green Power Bukidnon Philippines, Inc.	Maramag, Bukidnon	35	Biomass	Permits and other requirements obtained; selection process is on-going among local banks; letter of intent executed on March 24, 2009 with Poyry Energy, Inc. as EPC contractor	Sept. 2013
Tagoloan Hydropower	Luzon Hydro Corp.	Bukidnon	68	Hydropower	Completed feasibility study	2012
17.5 MW Davao Biomass Power Project	Global Green Power Philippines, Inc.	Davao	17.5	Biomass	Permits and other requirements obtained; Biomass supply assessment completed	2017
2 X 150 MW Coal-Fired Power Plant	Aboitiz Power Corporation	Davao City	300	Coal	Secured right to land; securing of permits and other requirements	1st Qtr of 2014
5 MW Camiguin Island Wind Power	Energy Development Corporation	Camiguin	5	Wind	on going negotiations with lot owners	Q2 2015 (subject to approval of a FIT)

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
Misamis Occidental II Electric Cooperative, Inc. (MOELCI II) November 12, 2009/ November 15, 2010	Acquisition and Installation of One (1) Unit of Primary Circuit Breaker (CB), Three (3) Units of Secondary CBs and Upgrading of Monitoring Equipment	Procurement and installation of One (1) Unit of Primary Circuit Breaker (CB), Three (3) Units of Secondary CBs and Upgrading of Monitoring Equipment for the Banadero Substation	8,226,216.00
	Construction of Civil Works (Banadero Substation)	Construction of Civil Works intended for the Control Room	367,762.71
	Acquisition and Installation of One (1) Unit of Primary Circuit Breaker (CB), Four (4) Units of Secondary CBs and Upgrading of Monitoring Equipment	Acquisition and installation of one (1) unit of primary circuit breaker including four (4) units of secondary circuit breakers and upgrading of the monitoring equipment	9,501,657.00
	Construction of Civil Works (Dimalooc Substation)	Construction of the Dimalooc Substation Civil Works intended for the Control Room	648,042.83
First Bukidnon Electric Cooperative, Inc. (FIBECO) February 18, 2010/ December 1, 2010	Installation of one (1) 10 MVA Substation (Anahawon)	Installation of 10 MVA substation at Anahawon, Maramag, Bukidnon to up-rate the existing 5 MVA Anahawon Substation	46,000,000.00
	Installation of one (1) 10 MVA Substation (Camp I)	Installation of 10 MVA substation at Camp I, Maramag, Bukidnon to up-rate the existing 5 MVA Camp I Substation	46,000,000.00
	Construction of 4/0 Tie Line	Construction of nine kilometer (9 km.) #4/0 ACSR Three (3) Phase Line I from Camp I Substation to Puntian, Quezon, Bukidnon	8,994,696.00
	Construction of 4/0 Parallel Three (3) Phase Line	Construction of twenty-eight kilometers (28 km.) #4/0 Aluminum Concrete Steel reinforced (ACSR) three (3) phase line from Camp I Substation to Dabong Dabong Substation	18,342,141.00
	Construction of a 69 kV Subtransmission Line	Construction of thirty-two kilometers (32 km.) 69 kV subtranmission line at Poblacion, Maramag to Barandias, Pangantucan	105,540,000.00
	Construction of 2/0 Parallel Three (3) Phase Line	Construction of twenty-six kilometer (26 km.) #2/0 ACSR three phase parallel line from Dabong-Dabong Substation to San Fernando, Bukidnon	10,000,000.00
	Acquisition of Hotline Tools and Equipment	Acquisition of hotline tools and equipment such as insulated boom trucks	16,000,000.00
	Acquisition of Hotline Tools and Equipment	Acquisition of logistic tools and equipment such as Hard Hat, Meter Test Set, Clamp Tester and Line Man Wrench	70,600,000.00
	Procurement of Supervisory Control and Data Acquisition (SCADA) and Monitoring System	Procurement and Installation of a monitoring and control system device known as the SCADA in all substations of the distribution system. The project includes sectionalizing.	42,000,000.00
	Conversion of V-Phase to Three (3) Phase 2/0 Line (Bagontaas – Lurugan)	Conversion of ten kilometer (10 km.) V-phase to #2/0 ACSR phase line from Bagontaas to Lurugan, Valencia City	934,032.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
Bukidnon Second Electric Cooperative, Inc. (BUSECO) November 24, 2009/ December 15, 2010	Conversion of V-Phase to Three (3) 2/0 Line (Arfi-Paitan)	Conversion of fifteen kilometer (15 km.) V-Phase to #2/0 ACSR phase line from Arfi, Valencia City to Paitan, Quezon	1,940,000.00
	Acquisition of 69 kV Subtransmission Asset	Acquisition of 69 kV subtransmission asset in consortium with the Bukidnon Second Electric Cooperative, Inc. (BUSECO)	30,000,000.00
	Acquisition and Installation of Kilowatt-Hour (kWh) Meters	Acquisition and installation of new (kWh) meters of various types and classes. The project will include the replacement of inefficient kWh meters.	90,000,000.00
	Replacement of Dilapidated Distribution Transformers	Replacement of dilapidated distribution power transformers	84,062,500.00
	Installation of One (1) 10 MVA Substation and Construction of a Twenty-Five (25 km) Kilometer 69 kV Line	Installation of one (1) 10 MVA substation at Kisolon, Bukidnon and construction of a twenty-five (25 km.) kilometer 69 kV line from Lunocan to Kisolon	102,623,271.00
	Installation of one (1) 5 MVA Substation and Construction of 69 kV Double Circuit Line	Installation of one (1) 5 MVA substation at DMPI and construction of 69 kV double circuit line from Lunocan to DMPI	60,026,116.00
	Relocation of One (1) 5 MVA Transformer	Relocation of One (1) 10 MVA transformer from Lunocan to Aglayan Substation	13,154,960.00
	Relocation of One (1) 10 MVA Transformer and Construction of 69 kV Line	Relocation of one (1) 10 MVA transformer from Aglayan to Casisang	39,764,524.00
	Procurement of Kilowatt-Hour (kWh) Meters and Replacement, Calibration, and Correction of Installed kWh Meters	Procurement of kWh meters including the replacement, calibration and correction of installed kWh meters	74,757,911.00
	Extension and Construction of New Distribution Lines	Extension and construction of new distribution lines	46,671,579.00
	Reconductoring of Existing Backbone Lines from Aluminum Concrete Steel Reinforced (ACSR) 2/0 to 4/0	Reconductoring of 159.16 kilometers (km.) existing backbone lines from 2/0 to 4/0 ACSR	20,529,037.00
	Rehabilitation of Over-Extended Secondary Lines	Rehabilitation of over-extended secondary lines	20,008,666.00
	Procurement of Concrete Poles of Various Sizes and Acquisition of Safety Equipment and Logistical Support	Procurement of concrete poles of various sizes (30-40 foot high) and acquisition of safety equipment and logistical support. The project includes the replacement of dilapidated wooden poles with concrete poles and steel poles	27,116,538.00
	Primary Metering for Fifty-Three (53) Industrial Customers	Primary metering for fifty-three industrial customers	36,305,079.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
	Procurement and Installation of Reclosers and Cut-Out Arresters in the Distribution System	Procurement and installation of fifty-one (51) pieces of reclosers and two hundred fifty-four (254) pieces of cut-out arrester in the distribution system	33,379,520.00
	Procurement of new Transformers of Various Sizes and Ratings and their Installation in Areas Within Franchise Area	Procurement of three hundred ninety (390) units of new transformers of various size and ratings and their installation in four areas: one hundred forty-six (1460 units for area 1, one hundred six (106) units for area 2 and one hundred thirty-eight (138) units for areas 3 and 4	43,115,505.00
	Logistics and Other Support	Procurement of logistics and other support facilities and equipment consisting of office, transportation, radio communication, tools and safety and motor pool equipment	43,200,000.00
	Replacement, Calibration and Correction of Installed Meters	Replacement, calibration and correction of existing four thousand (4000) kWh meters, two (2) units of transformer tester and two (2) units of kWh meter standards	26,622,419.00
	Installation and Replacement of Capacitor Banks	Installation of capacitor banks with high ratings to replace those existing units in the outgoing Cabanglasan, Bangcud and Circuit 2 feeders of the Aglayan Substation	1,579,500.00
	Acquisition of 69 kV Subtranmission Lines	Acquisition of 69 kV Kibawe-Maramag, Tagoloan (Natumulan) – Lunocan and Maramag Pulangui lateral lines	29,696,036.00
	Procurement and Installation of One (1) 10 MVA Power Transformer (Emergency Capital Expenditure Project)	Procurement and installation of one (1) 10 MVA power transformer at Aglayan, Malaybalay City	22,800,000.00
Davao Light and	Upgrading and rehabilitation of conductors of 69 kV subtransmission line and construction of new 69 kV lines including concreting of six (6) 69 kV structures	• Upgrading of the existing 4/0 Aluminum Concrete Steel Reinforced (ACSR) conductors of its 69 kV subtransmission line to 336.4 MCM ACSR • Construction of new 69 kV lines from ERA-1 Gaisano Substation to Sta. Ana Substation and the PR-MAA, MAA Training Center • Upgrading and rehabilitation will involve: 1) the 69 kV Davao Line from the Centerpoint Tapping Point to Bangkal Substation and from Ulas Crossing to bangkal Substation; and 2)69 kV Tagum Line from TADECO to Marsman • Concreting of six (6) 69 kV structures	19,889,426.00
	Upgrading, Rehabilitation, and Relocation of 13.8 kV Distribution Line and Replacement of Insulators and Arresters, Rotten Poles and Transformers and the Installation of Line Markers	• Construction of new 13.8 kV (Toril 2) from Toril to Binugao • Upgrading of the following 13.8 kV lines: 1) Bajada – from Bacaca Road to Crossing Diversion Road (2nd Phase; 2) STA – 2 from Gempesaw to Davao Bridge Ecoland; 3) Dumoy -2 from Crossing Dumoy Substation to	33,414,691.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
Power Company Inc. (DLPC) November 6, 2009 and December 9, 2009/ December 15, 2010		Borden D/S; 4) PAM - 1 from crossing Pampanga to Alsons D/S • Rehabilitation of the following 13.8 kV lines: 1) SNV – 3 from La Paz to the Municipality of Carmen; and 2) Bunawan – 2 from Crossing Licanan to Dead End of the Primary Line • Line Relocation along the diversion road of MAT – 4 as requested by the Department of Public Works and Highways (DPWH) • Replacement of the 13.8 kV's leaking insulators and arrester instruments and rotten poles or transformers • Installation of line markers	
	Installation of Capacitor Banks	Installation of capacitor banks inside the Don Ramon Aboitiz Substation with an effective 14.4 MVAR. The project also includes installation of various distribution line capacitor banks with 89-200 kVAR and 93-100 kVAR capacitor units	14,543,021.00
	Acquisition of Vehicles	Acquisition of the following vehicles:1) 80' Bucket Truck Aichi SK 2620; 2) five (5) ton capacity digger Derrick Truck Pittman; 3) 3.5 ton capacity digger Truck Aichi; and 4) XR-200 Honda Motorbikes	28,546,230.00
	Acquisition of Tools and Equipment	Acquisition of tools and equipment – power quality measuring equipment, substation testing equipment, 12" wood chipper, total station, Ingersol tower light, assorted technical management references and 69 kV fault indicator	15,942,710.00
	Rehabilitation of the Bajada Substation E	Rehabilitation will consist of: 1) replacement of the 69 kV power circuit breakers with Gas Insulate Switchgear (GIS) for unit 23 and 24; 2) removal of dilapidated substation 69 kV structures; 3) replacement of control cables and wires; and 4) site development	13,372,153.00
	Rehabilitation of the Bajada Substation B	Rehabilitation will consist of: 1) replacement of the 13.8 kV power circuit breakers with Gas Insulate Switchgear (GIS); 2) removal of dilapidated substation structures; 3) replacement of three (3) unit 100 kVA distribution transformers with 300 kVA pad-mounted transformers; and 4) site development	31,394,269.00
	Rehabilitation of the Victoria Substation	• Fabrication/conversion existing A-Frame into incoming and outgoing structure both on 69 kV and 13.8 bus • Fabrication of room to cater the requirement of station battery installation	13,872,705.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
	Land and Building Improvement	Construction, fabrication, replacement, and renovation of various structures at the Rondez Technical Center and at MAA Training Center	11,433,053.00
	Upgrading of the Sta. Ana Substation	Upgrading will consist of: 1) installation of 1-33 MVA power transformer with standard accessories thereby replacing the existing 12 MVA power transformer; and 2) construction of the foundation for the 1-33 MVA power transformer	30,433,616.00
Misamis Oriental II Electric Cooperative, Inc. (MORESCO II) May 28, 2010/ December 1, 201	Installation of one (1) 10 MVA , 138 kV/13.2 kV Substation	Installation of a dedicated 10 MVA, 138 kV/13.2 kV substation in Claveria, Misamis Oriental	165,162,557.00
	Installation of one (1) 5 MVA, 69/13.2 kV Substation	Installation of one (1) 5 MVA, 69/13.2 kV Substation in Magsaysay, Misamis Oriental	39,770,017.00
	Renovation of Main Office and Construction of Two (2) New Sub-office Buildings	Renovation of main office at Medina, Misamis Oriental and the construction of two (2) sub-office buildings in Gingoog and Sugbongcogon, Misamis Oriental	17,876,777.00
	Procurement of Engineering Software and Load Logger	Procurement of engineering software for distribution system data processing and engineering and technical data analysis including a load logger for monitoring distribution system parameters	1,700,000.00
	Replacement of Old Watt-Hour Meters and Installation of New Watt-Hour Meters	Replacement of old watt-hour meters with new watt-hour meters and accessories	15,000,000.00
	Upgrading of Backbone Lines from 2/0 to 4/0 Aluminun Conductor Steel Reinforced (ACSR) including Replacement of Rotten Wood Poles with Steel Poles	Upgrading and rehabilitation of the following: 1) seventy-five (75) circuit kilometer (km.) of primary distribution lines which shall involve the replacement of the existing 2/0 to 4/0 ACSR; 2) replacement of three phase pole line from Medina to Gingoog City; and 3) replacement of rotten wooden poles to steel poles	20,021,258.00
	Rehabilitation of a kV Lines and Procurement of Hot Line Tools	Procurement and replacement of wooden hardware with steel structures, sectional light weight steel towers at the existing fifty-four (54) km. Nasipit-Wilmar 69 kV subtransmission line including the procurement of hot line tools for emergency and maintenance works.	30,105,170.00
	Procurement of Substation Circuit Line Protection	Replacement of primary fuse-type protection by circuit breaker including oil circuit recloser by vacuum-type circuit recloser at the Balingasag and Solana Substations	31,062,796.00
Misamis	Construction of a Dedicated Line	Construction of a dedicated line or feeder for Oroquieta City	9,926,115.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
Occidental I Electric Cooperative, Inc. (MOELCI I) November 24, 2009/January 24, 2011	Installation of Three (3) Units of 50 kVAR Switch Capacitor	Construction of three (3) units of 50 KVAR switch capacitor	62,261.00
	Replacement of Old or Aged and Polychlorinated Biphenyls (PCB) Type Distribution Transformer	Replacement of six hundred five (605) units of aged and poorly rewinded and polychlorinated biphenyls (PCB) type transformers	53,773,184.00
	Construction of Bunawan Substation	Construction of Bunawan Substation	17,291,182.00
	Replacement of Old and Obsolete Kilowatt-hour (kWh) Meters	Replacement of old and obsolete kilowatt-hour meters	31,366,920.00
	Replacement of Rotten Poles	Replacement of rotten poles with one thousand three hundred thirteen (1,313) concrete and steel poles of various sizes	25,188,439.00
	Acquisition of Logistics, Installation of a Radio Tower and Communications Station	Acquisition of the following: a) one (1) unit of 69 kV sulfur hexafluoride (SF6) circuit breaker; b) four (4) units of military type jeep and one (1) unit of heavy equipment; c) acquisition of ten (10) units of hand held radio; d) analytical software; e) feeder metering; f) measuring and recording instruments; and g) hot line equipment	21,387,557.00
	Site Development of the Villaflor Substation	Site development of the Villaflor Substation consists of soil and gravel backfiling	833,000.00
	Procurement of Aluminum Concrete Steel Reinforced (ACSR) Wires	Procurement of ACSR wires	7,901,544.00
Oriental Mindoro Electric Cooperative, Inc. (ORMECO) July 21, 2009/February 21, 2011	Pole or Meter Clustering	Clustering of twenty-two thousand (22,000) units of kilowatt-hour (kWh) meters on its nearest service poles	42,306,880.00
	Replacement of Defective Kilowatt-Hour (kWh) Meters	Replacement of four thousand nine hundred fifty-seven (4,957) units of defective kWh meters with class 10 (30), class 100 and class 20 brand new meters	20,366,637.00
	Replacement of Overloaded Distribution Transformers and Installation of New Units	Replacement of overloaded distribution transformers with additional units for a yearly implementation in 2009, 2010 and 2011, as follows: a) thirty (30) units of conventional 10 kVA transformers; b) twenty-five (25) units of	17,948,607.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
		conventional 15 kVA transformers; c) twenty-five (25) units of conventional 25 kVA transformers; d) five (5) units of conventional 37.5 kVA transformers; and e) three (3) units of conventional 50 kVA transformers	
	Refurbishment of a Substation	Refurbishment of the Calapan Substation which shall consist of the replacement of the subtation's rotten wooden structures with steel and concrete, fencing and other improvements	395,920.00
	Conversion of V-Phase to Three (3) Phase Line	Conversion of the existing 4.27 kilometers (km.) V-Phase line to a three (3) phase line starting from Barangay Motoderazo to Barangay San Agustin, Naujan, Oriental Mindoro	668,888.00
	Installation of a New Substation Utilizing an Existing 3-0.833 MVA Power Transformer	Installation of a new 2.5 MVA Substation in Victoria, Oriental Mindoro utilizing the 3-0.833 MVA power transformer	5,000,000.00
	Rehabilitation of a Stand By 5MVA power transformer	Rehabilitation of a stand by 5 MVA power transformer	1,300,000.00
	Construction of a 69 kV Subtransmission Line	Construction of a 69 kV Subtransmission Line	16,200,000.00
	Expansion of Distribution Lines	Expansion of the existing distribution lines by the construction of one (1) phase, open secondary lines and under built lines	9,167,164.00
	Add-ons	Add-ons cover the provision of service connections to an estimated 14,280 new power consumers with standard connection facilities such as service drop wires	59,718,557.00
	Procurement of Materials to Rehabilitate Equipment and Upgrade Service	Procurement of cut-out and arrester combination, current transformers and Synergee software to rehabilitate and upgrade system	1,151,057.00
Pampanga I Electric Cooperative, Inc. (PELCO I) August 31,	Procurement of one (1) twenty (20) MVA Transformer for Sto. Domingo Substation	Procurement and installation of one (1) 20 MVA Transformer for Sto. Domingo Substation	18,000,000.00
	Procurement of one (1) ten (10) MVA Transformer for Pandacaqui Substation	Procurement of one (1) ten (10) MVA Transformer for Pandacaqui Substation	6,000,000.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
2010/April 4, 2011	Extension and Rehabilitation of Primary Lines	Procurement of conductors, poles and line hardwares/materials for the extension and rehabilitation of primary lines	10,525,423.00
	Procurement of Medium Voltage Circuit Breaker, Capacitor, Current Limiting Fuse, Recloser Control, 69 kV Disconnect Switch, and Feeder Metering	Procurement and installation of various electrical equipment	13,105,271.00
	Relocation/refurbishment of San Nicolas Substation	Relocation and refurbishment of the existing 10 MVA San Nicolas Substation The project will also include the purchase and installation of instrument transformers and gang-operated disconnect switch with corresponding supporting steel structures	7,446,941.00
	Acquisition of 69 kV Clark lines 1 and 2	Acquisition of 69 kV Clark lines 1 and 2 from the National Grid Corporation of the Philippines (NGCP)	20,259,000.00
	Rural Electrification Program	Provision of power lines in rural areas in accordance with the mandate of electric cooperatives for rural electrification The project involves the procurement of stringing of 26km power lines and installation of 350 concrete poles	5,948,934.00
	Upgrading of Secondary Lines	Procurement and installation of conductors, poles and line hardwares for secondary distribution lines upgrading To reduce pilferage and line faults occurring in rural areas caused by tree branches making contact with bare secondary lines	8,436,469.00
	Procurement of Distribution Transformers and Concrete Poles	Procurement of new concrete poles of various sizes and pole mounted transformers of various capacities A total of 262 pole mounted transformers of various kVA ratings and 2,5888 concrete poles ranging from 25ft. to 35ft. will be purchased and installed in a four (4) year implementation period	46,731,354.00
	Procurement and installation of kilowatt hour (kWh) Meters	Procurement of kWh meters Associated works and activities will include purchase and installation of secondary drop wirings from nearest tapping pole and distribution	28,879,828.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
		transformers. A total of 11,621 new kWh meters are scheduled to be acquired for the next four (4) years	
	Meter Clustering	Purchase and install/clustering of kWh meters Replacement of defective and dilapidated kWh meters and accessories such as drop wires, connectors and clamps A total of 25,300 kWh meters are scheduled to be clustered for the next four (4) years	64,388,153.00
	Lot Acquisition for Office and Substation Facilities Expansion	Purchase of adjacent lot in the Arayat area sub-office	1,000,000.00
	Logistics Support	Purchase of various test equipment for use in preventive maintenance and diagnostic testing. The test equipment includes power quality analyzer, watthour meter test and calibration system, insulated power factor tester, protective relay test set, digital ground resistance tester, distribution profiler, digital gas analyzer, disconnect and by-pass oil recloser switch.	17,364,520.00
	Information and Communication Technology Expenditures	Purchase of various ICT system and devices and equipment for use in distribution system supervisory control, data gathering automation and improving customer service efficiency. The expenditures includes SCADA for Lagundi substation, server upgrade and data storage infrastructure, upgrade of database and replacement of hardware and multimedia devices, expansion of wireless broadband network, CCTV security system, voice over internet protocol communications, extension of internet service and automatic meter reading system.	54,892,457.00
	Construction of Mexico Office Building, Ground Improvement and Warehouse, Motor Pool Extension and Library	This project includes construction of Mexico Office Building, renovation and improvement of the warehouses and extension of motor pool and the improvement of stocks/spares handling and storage capacity • To increase operational efficiency and improve customer service • The renovation will notably improve the appearance and working environment of PELCO I's head office.	7,576,335.00
	Purchase of Vehicles	Purchase of service vehicles allotted for the different departments such as Engineering, Finance, Technical Services, Institutional Development and	10,170,090.00

Annex 14 - ERC-Approved Capital Expenditure Projects (November 2010 - April 2011)

APPLICANT/ DATE APPROVED	PROJECT	DESCRIPTION	PROJECT COST (PhP)
		seven (7) area offices. PELCO I plans to purchase nine (9) units of Asian utility vehicles and four (4) units of multi-purpose vans.	
	Purchase of Air Conditioning units and LCD monitor	Purchase of several air conditioning units of various sizes and one (1) unit 65" LCD television. The air conditioning units will include twenty (20) units – 2hp window-type air conditioner, twenty-three (23) units – 3tonner split-type air conditioner, two (2) units of ceiling-mounted air conditioner and one (1) unit cassette-type air conditioner.	2,185,000.00

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
REGION I (Ilocos Region)																
	INEC	6.8958	7.8308	8.2799	8.0846	8.1176	7.7824	8.0313	7.4713	7.2548	7.4061	7.9832	8.0834	7.8842	8.1872	8.0423
	ISECO	6.3778	7.1573	7.2546	7.7340	7.0650	6.9766	7.1583	7.0528	7.1854	7.1183	7.1656	7.5722	7.5103	8.1396	8.7586
	LUELCO	6.8316	7.6969	7.7380	8.4166	7.7487	7.6234	9.1705	8.3484	8.4704	7.2824	8.7230	8.5165	8.1990	9.0989	9.2203
	PANELCO I	7.2757	7.2098	7.1361	7.1690	8.5576	7.3884	8.4053	8.7124	7.6557	9.2979	9.4111	9.3978	9.4213	10.4185	10.6656
	CENPELCO	6.8231	7.4176	7.7224	7.1781	7.7777	7.7017	7.5245	7.1396	8.7077	6.5755	7.6439	7.9227	8.1879	8.0219	8.3078
	PANELCO III	6.5274	6.7045	7.0212	7.4633	6.9512	7.0719	7.5823	7.0684	7.2704	6.8563	7.1927	NDS	7.5819	8.4171	NDS
	Region I Average	6.7233	7.3073	7.5506	7.6755	7.5850	7.4190	7.8412	7.4365	7.7614	7.1633	7.7755	8.1148	7.9681	8.4763	8.7059
REGION II (Cagayan Valley)																
	BATANELCO	7.7673	5.3013	6.1259	6.6164	6.1505	6.6397	6.7886	6.0923	6.0636	6.2068	6.1450	6.0087	6.8877	7.3873	7.3118
	CAGELCO I	6.9094	7.8126	7.7771	7.7235	7.1645	7.0398	7.2798	6.9894	7.1804	7.2562	7.7245	8.1686	8.0078	8.3910	8.5001
	CAGELCO II	7.4522	8.0604	8.3448	8.2931	7.9613	8.3419	8.1407	7.7856	8.0808	8.1891	8.1847	8.2326	8.2879	8.7895	9.0851
	ISELCO I	7.3631	8.4637	10.0641	10.4302	7.7467	8.2234	7.8273	7.4741	8.5328	7.9588	8.9789	8.0889	8.5782	9.4766	10.1931
	ISELCO II	7.5606	8.6521	8.8609	8.7372	8.4220	8.4000	8.5669	8.2156	8.5181	8.5351	NDS	NDS	8.7264	8.5344	9.3458
	NUVELCO	8.1357	8.7150	8.8451	9.6034	9.1300	8.9865	8.8398	9.0948	8.9681	8.8519	8.4943	NDS	8.5225	NDS	NDS
	QUIRELCO	9.7848	10.0455	10.2074	10.2579	9.9218	9.5504	9.8404	9.5118	9.7466	9.6582	10.0191	10.3153	10.1955	10.5034	10.7615
	Region II Average	7.4916	8.3684	8.9978	9.1320	7.9875	8.1232	8.0371	7.7585	8.2475	8.0820	8.5083	8.2109	8.4730	8.9753	9.4858
CAR																
	ABRECO	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS
	BENECO	5.4612	5.9442	5.4462	6.4410	7.0855	6.5496	6.6959	6.8679	6.7808	7.1235	6.7676	6.7287	7.0049	7.2301	6.9986
	IFELCO	9.4570	10.2408	11.8930	12.8427	13.0658	11.6751	11.9307	11.7049	11.7718	11.0548	11.4612	11.3393	NDS	NDS	NDS
	KAELCO	7.0824	10.1822	11.0769	11.5468	9.7604	11.0646	10.8286	10.2056	9.3230	10.4130	8.9951	9.1685	9.4644	10.1599	9.9448
	MOPRECO	8.5101	8.9033	10.2848	10.0201	9.2339	9.6596	9.9727	9.8983	9.3972	9.7578	9.7198	3.6102	9.9630	10.1569	10.8797

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
	CAR Average	5.7646	5.6773	6.0626	7.0592	7.5441	7.0611	7.1971	7.2929	7.1506	7.4723	7.1107	6.8631	7.2158	7.0473	7.2810
REGION III (Central Luzon)																
	AURELCO-Central Aurora	7.3555	9.3567	10.3336	9.7517	10.2470	9.9026	9.8764	10.7691	10.1842	9.8067	9.9067	10.3132	10.1553	11.5978	10.8383
	NEECO I	6.3807	6.9153	7.1553	7.6746	7.1994	7.5338	8.9536	10.2255	8.1101	7.6314	9.2311	11.5270	10.0661	7.9984	8.1649
	NEECO II-Area 1	7.4009	8.8919	8.8011	10.6605	9.9020	9.3555	9.5926	9.6459	8.9207	8.9976	9.3011	9.0648	9.2047	10.0640	10.5377
	NEECO II-Area 2	7.3423	7.9504	8.1361	8.0340	7.5835	7.4793	7.6081	7.5119	7.8129	8.5280	9.6585	9.7660	10.4255	10.3173	8.8593
	PELCO I	7.2058	7.4887	6.8361	7.0192	7.6780	7.0436	6.6335	7.3867	7.4233	8.1438	8.3568	8.4931	8.2302	9.5021	9.6695
	PELCO II	6.1200	6.9266	7.0907	7.6389	6.8219	7.1995	7.7469	7.2876	7.2178	7.3007	7.6562	7.6446	8.0576	8.0052	NDS
	PELCO III	7.1826	7.4465	7.6334	7.6051	7.5855	7.7024	7.7469	7.6243	7.7217	6.9358	7.1305	8.3489	7.7227	8.3217	8.5850
	PENELCO	6.7162	7.2744	8.9805	8.0851	8.1904	8.1210	8.7334	8.8122	8.1998	7.8059	8.4078	8.3896	8.0669	8.8218	9.3557
	PRESCO	6.5164	8.2648	7.5884	8.0065	8.0596	8.7663	8.5693	8.3884	8.6469	8.5534	8.3832	8.7923	8.8638	9.9337	10.0213
	SAJELCO	7.0528	7.6743	7.6674	7.6672	7.9834	7.7352	7.7120	8.0665	8.0147	8.2453	7.9606	8.0218	NDS	NDS	NDS
	TARELCO I	6.8701	7.7597	8.2168	8.1719	7.8791	8.6396	8.2978	8.1451	7.9459	7.3109	7.2728	7.7260	7.6934	8.5291	8.9711
	TARELCO II	5.6743	6.5440	6.9297	7.1423	6.8992	7.0760	7.1251	7.0257	6.8481	6.6594	6.8418	6.8040	6.5705	7.3270	7.8845
	ZAMECO I	8.3188	7.3663	7.9371	7.5249	8.5152	7.4079	8.3861	9.5763	8.6172	9.0771	9.3272	8.8586	9.2870	10.1227	10.8355
	ZAMECO II	6.4516	7.0807	8.3600	7.0213	7.1884	6.7403	7.7416	8.3758	7.3268	8.0524	8.2466	8.6412	8.3418	9.2403	9.4648
	Region III Average	6.7303	7.3869	7.8349	7.8560	7.7090	7.7096	8.0769	8.1831	7.8008	7.7748	8.1805	8.4366	8.3452	8.8002	9.1811
REGION IV-A (Calabarzon)																
	BATELEC I	6.2607	6.5991	7.2191	7.0322	6.4390	7.3137	6.7356	6.8535	7.3009	7.0893	7.0327	7.5477	7.7977	7.5589	7.8551
	BATELEC II	6.5674	6.8926	7.3301	7.9640	7.3992	7.3461	6.7626	7.7170	6.6811	7.3714	8.0137	7.9489	7.4525	7.6164	7.9664
	FLECO	7.3878	8.3541	8.9733	9.1543	8.8211	8.9641	9.0142	8.8179	8.7337	8.9403	9.0026	9.0256	8.1799	8.3935	9.6278
	QUEZELCO I	6.9969	7.8123	7.6804	8.6005	8.1603	8.3059	8.2200	8.1025	8.2226	8.0831	8.1192	8.1782	8.1365	8.4143	8.6580
	QUEZELCO II	7.9974	8.9508	9.2301	9.6294	9.2327	9.3539	9.4508	9.1866	9.1741	8.9403	9.0026	9.0256	9.1239	9.3710	9.9139

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
REGION IV-B (Mimaropa)																
	LUBELCO	8.2827	8.4301	8.0434	8.0832	8.1798	8.1627	8.0468	7.8945	7.6758	7.8895	8.0396	7.8252	7.9965	8.8097	9.9934
	OMECO	9.4108	9.3076	9.3315	9.4629	9.4273	9.3846	9.3391	9.3647	9.2931	9.3219	9.2404	9.2899	9.3238	9.2830	11.6847
	ORMECO	10.0070	10.0923	10.0947	10.1454	10.0304	10.1191	10.2622	9.7835	9.5448	9.5206	9.4732	9.4026	9.5954	10.1730	11.1862
	MARELCO	9.1668	8.6149	8.9630	8.8061	9.4576	9.0042	9.1882	9.2557	9.2007	9.2559	9.1552	9.1500	9.0085	11.1395	10.2591
	TIELCO	7.8785	7.8029	7.8208	7.8364	7.9000	7.8577	7.8665	7.8707	7.8816	7.8662	7.7891	7.8200	7.8463	8.8889	9.9440
	ROMELCO	8.2241	8.0159	8.1042	8.0336	8.0597	8.1090	8.0409	8.0208	7.9825	7.8299	7.8284	8.2874	8.1480	8.7650	9.1803
	BISELCO	6.7529	6.7103	6.7268	6.7468	6.6529	6.6696	6.7002	6.6806	6.6896	6.6855	6.4875	6.6505	6.6233	7.3409	8.2645
	PALECO	8.4731	8.4437	8.4428	8.5282	8.4742	8.4228	8.4378	8.4787	8.4328	8.4197	8.3804	8.3240	NDS	NDS	NDS
	Region IV Average	8.5174	8.8509	9.2377	9.5189	9.0300	9.2485	8.9054	9.3558	7.6330	7.8553	8.1265	8.1803	9.2400	9.4444	10.1055
REGION V (Bicol region)																
	ALECO	6.2063	6.8285	7.5894	7.5246	7.2608	7.2101	7.3969	7.4905	6.5708	NDS	NDS	NDS	8.8375	7.8379	7.6531
	CANORECO	7.3602	7.5624	7.9358	8.5069	8.4597	8.5700	9.0187	8.5894	8.4925	8.6112	8.7650	9.0069	8.8593	8.7368	8.9240
	CASURECO I	8.9169	9.3012	9.3915	10.0340	9.0820	9.4963	9.4913	9.3569	9.4973	9.4032	9.3680	9.4616	9.6716	9.4122	9.7927
	CASURECO II	6.9092	6.7726	7.9920	9.2956	11.0649	9.1349	9.1723	8.7473	8.3155	8.1998	8.5725	NDS	9.0876	10.0828	10.2073
	CASURECO III	7.9174	7.7014	8.4630	9.2012	9.4745	9.1349	9.2501	9.0860	24.3472	23.5937	23.3937	23.1056	9.9732	9.1722	9.3537
	CASURECO IV	8.3757	9.8636	10.0119	10.6354	9.5237	9.3440	9.3481	10.0058	9.9120	9.4645	10.3340	10.9075	11.0458	10.8897	NDS
	FICELCO	9.4462	9.4874	9.4576	9.4887	9.5040	9.5027	9.4988	9.5038	9.5073	9.4870	9.2967	9.4659	9.4697	10.0310	10.0945
	MASELCO	7.2083	7.1308	7.1777	7.1725	7.1655	7.1920	7.1979	7.1894	7.1625	7.3686	7.3885	7.4060	7.3889	7.3854	7.3131
	SORECO I	8.3491	9.4091	11.2985	8.5114	10.4898	9.8482	9.7390	10.0706	9.2124	9.4145	9.2596	9.2188	8.7274	9.3882	9.7699
	SORECO II	7.9383	8.3951	8.5349	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS
	TISELCO	6.9015	6.9469	6.8705	6.9035	6.8838	6.8840	6.5163	6.5823	6.6047	NDS	NDS	NDS	6.6031	7.5608	NDS
	Region V Average	7.1617	7.4717	8.1820	8.5564	8.9627	8.2543	8.4943	8.4120	7.9609	8.5750	8.7858	9.0275	9.0292	8.9390	8.9175
	Luzon Average	7.1859	7.6892	8.1513	8.3642	8.1641	8.0743	8.2130	8.2287	7.7870	7.7812	8.1168	8.2270	8.4928	8.7916	9.1782

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
REGION VI (Western Visayas)																
	AKELCO	7.3322	7.7979	7.8147	7.9780	7.6111	7.3322	7.9314	8.0485	7.6332	7.5867	7.4845	7.5042	7.6510	7.8423	7.8504
	ANTECO	8.3761	8.4191	8.3761	8.7198	8.3267	8.3130	8.2960	8.7735	8.1134	8.4858	8.4718	8.2667	8.4167	9.1103	9.5055
	CAPELCO	8.4155	8.4155	8.5763	8.2929	9.6452	8.9468	8.3767	8.5853	8.4319	9.1794	8.5169	8.7510	8.7907	8.2879	9.7724
	GUIMELCO	10.0162	11.1052	10.3896	10.4856	10.1472	10.2075	10.1834	10.2504	11.4035	9.7357	10.1170	9.8762	10.4479	10.2574	10.4196
	ILECO I	8.8347	9.2451	9.3338	9.1665	8.5699	8.8689	8.7479	8.7866	8.9108	8.8690	8.9623	8.6049	9.2974	9.2883	9.1492
	ILECO II	7.6069	8.1130	7.9805	8.4037	8.0134	7.9691	7.9424	8.1058	8.0476	7.8315	7.9881	8.0407	7.7961	8.9150	8.8563
	ILECO III	7.5469	7.6786	7.5742	7.9603	7.6851	7.7112	7.6355	7.8144	7.6587	7.6386	7.5849	7.8846	7.9833	9.4177	9.1489
	CENECO	5.8600	6.0228	6.1210	6.1235	6.0254	5.9912	5.9784	5.9992	6.0606	6.0113	6.0481	5.9615	5.5250	6.1871	5.8488
	NOCECO	6.7797	7.2211	7.0539	7.5524	7.2330	7.1152	7.1419	7.3497	7.2992	7.1358	7.3125	7.0052	6.4499	NDS	NDS
	VRESCO	7.5142	7.7309	7.9123	7.8376	7.5839	7.5390	7.3689	7.4883	7.2717	7.2285	7.2503	7.0859	6.9951	7.5800	7.8218
	Region VI Average	7.3614	7.6773	7.6835	7.7983	7.6313	7.5430	7.2365	7.3476	7.2681	7.2901	7.2707	7.1759	7.0617	7.5794	7.6138
REGION VII (Central Visayas)																
	BANELCO	8.1218	8.1385	8.1148	8.8818	8.8469	8.8823	8.9062	8.2452	8.8277	8.7960	8.8058	8.7139	8.7730	8.7438	8.7553
	BOHECO I	6.7301	7.0127	6.9231	6.9215	7.0056	7.1216	7.1173	6.8559	6.8630	7.0246	7.4301	6.3771	6.0889	6.1067	5.9144
	BOHECO II	7.7652	7.9666	7.9943	8.2307	8.0546	7.7081	7.6982	7.7413	8.0717	7.7969	7.7673	7.8611	7.9414	7.7200	7.8438
	CELCO	9.2618	9.2546	9.2394	9.3169	9.3075	9.6494	9.6402	9.6752	9.6835	9.6426	9.6543	9.6331	9.9497	11.3519	11.5936
	CEBECO I	7.4294	7.3084	7.0493	7.3839	7.3156	7.3011	7.0646	7.2657	7.0663	7.0756	6.9686	6.8142	7.0464	7.1000	3.7641
	CEBECO II	3.9555	4.3663	4.1772	4.3000	4.0441	4.1835	4.1737	4.1515	4.2381	4.2147	4.1280	4.1465	4.1073	4.0608	4.2984
	CEBECO III	6.5110	6.9790	6.9166	3.6617	5.7687	5.3084	5.4656	5.8706	5.0642	5.3731	5.2717	4.9392	5.3056	5.4628	5.6903
	NORECO I	7.2601	7.3736	7.4696	7.5127	7.9191	7.7315	7.6826	7.7212	7.6637	7.5796	7.5719	7.6411	7.4892	7.1219	4.7742
	NORECO II	6.8763	7.3857	7.3405	7.5437	7.0000	7.1175	7.1183	7.2923	7.3175	7.2910	7.3288	6.9726	6.8104	7.1264	NDS
	PROSIELCO	9.4563	9.4617	9.3546	9.4348	9.4810	9.5053	9.5056	9.4106	9.4116	9.4507	9.4715	9.5130	9.5215	11.0398	11.6374
	Region VII Average	6.8723	7.1777	7.0453	6.6545	6.9574	6.8751	6.8181	6.9480	6.8219	6.8562	6.8678	6.6130	6.6134	6.5850	6.5703

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
REGION VIII (Eastern Visayas)																
	BILECO	8.5748	9.6295	9.3719	9.7621	9.4318	9.0996	9.2408	9.4038	9.4330	9.4061	9.3760	9.5324	9.5395	8.9773	9.5693
	DORELCO	7.4275	8.0558	8.0355	8.3411	7.7218	6.9542	7.2842	7.4855	7.6307	7.5442	7.6568	7.8153	7.6964	7.7391	8.1884
	LEYECO II	6.0622	6.2596	6.3296	6.5683	6.3199	5.8827	6.0023	6.1248	6.0926	6.1236	6.3062	6.4287	6.2892	6.3061	4.2514
	LEYECO III	7.6444	8.3316	8.2411	8.7096	8.2296	8.1812	7.9929	8.2265	8.2738	8.1904	8.2276	8.3189	8.3040	8.4069	8.5634
	LEYECO IV	7.6296	7.8359	7.8911	8.6431	8.0705	7.9991	7.5904	7.7418	7.6358	7.8200	7.5860	7.5987	7.7712	7.9302	8.3347
	LEYECO V	6.7540	7.3105	7.4024	7.6883	7.3442	7.4246	7.2582	7.4261	7.3888	7.3205	7.3423	7.3921	7.3627	7.7576	7.9353
	SOLECO	7.3193	8.2921	8.1525	8.6264	8.1824	8.2334	7.9859	8.0866	8.0250	7.9927	8.0478	8.0817	8.2056	8.4692	7.9204
	ESAMELCO	7.8201	8.5581	8.4385	8.7804	8.3916	8.4503	8.3494	8.5364	8.5120	8.4399	8.5573	8.4645	8.5090	9.0349	8.6888
	NORSAMELCO	8.8685	8.4106	10.0544	9.7198	9.2867	8.9871	9.1237	NDS	NDS	NDS	NDS	NDS	9.7964	NDS	NDS
	SAMELCO I	6.9712	7.9940	7.8397	7.7594	7.6423	7.9437	7.8569	7.8219	7.7723	7.8150	7.7067	7.9135	6.8703	8.3656	7.2050
	SAMELCO II	7.4593	8.3815	8.4668	8.7353	7.9841	7.8687	8.3139	8.4276	8.4276	7.7788	7.8486	8.4371	8.2787	8.1599	8.5142
	Region VIII Average	7.0676	7.5739	7.6762	7.9596	7.5848	7.4009	7.3818	7.4047	7.3848	7.3421	7.4061	7.5073	7.5517	7.6459	7.7157
	Visayas Average	7.1390	7.4946	7.4731	7.4515	7.4078	7.2943	7.1436	7.2399	7.1588	7.1710	7.1780	7.0752	7.0275	7.2709	7.3506
REGION IX (Zamboanga Peninsula)																
	ZANECO	4.9276	6.1961	5.9471	6.7068	7.4317	7.4470	6.8399	5.7281	5.5529	5.3705	5.0541	5.4506	5.4954	6.0231	5.5773
	ZAMSURECO I	5.3906	5.7133	5.6710	6.7048	7.6799	7.5697	6.8277	5.8061	6.0826	5.7117	5.6618	5.6949	5.7936	5.9231	6.0547
	ZAMSURECO II	5.8575	6.2104	7.1042	8.2175	8.1112	7.2677	6.2696	6.6747	6.2610	6.2056	6.0461	5.8861	NDS	NDS	NDS
	ZAMCELCO	4.6428	5.1323	5.3410	5.4010	6.5532	6.5616	5.9187	5.0775	5.3658	5.1272	5.0167	5.1602	4.8340	5.3101	5.2303
	Region IX Average	4.9718	5.5275	5.6990	6.1627	7.0519	6.9440	6.2596	5.4960	5.6201	5.4037	5.2689	5.3995	5.1748	5.5785	5.4786
REGION X (Northern Mindanao)																
	FIBECO	6.3292	6.6324	6.5636	7.6764	8.5970	8.4539	7.7376	6.9166	6.6293	6.2236	5.9149	6.2234	5.9211	6.2643	6.2826
	BUSECO	5.3956	5.8090	5.7873	7.0375	7.2193	7.4134	6.2196	6.3434	6.1477	5.7796	5.7179	5.7940	5.4368	6.3893	6.0090
	CAMELCO	8.7374	8.6782	8.8259	9.6085	10.4098	10.1873	9.8231	8.6193	9.1452	8.4633	8.4350	8.3167	8.3699	8.6739	9.1521

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
	LANECO	6.3898	6.5175	6.4144	6.5815	6.9376	8.4629	8.1735	7.8691	7.3000	6.5206	5.8963	6.9707	6.4748	7.1379	7.3573
	MOELCI I	5.8803	6.9091	6.7951	7.2362	9.0846	8.5972	7.9522	7.6779	6.4516	6.8037	6.7980	6.8812	NDS	NDS	NDS
	MOELCI II	5.3286	6.0698	6.0196	6.6968	7.8722	7.9226	7.2338	6.5810	6.3884	6.0066	5.9970	6.0046	6.1423	6.7183	6.4826
	MORESCO I	5.8351	5.9681	5.9977	6.3822	6.5966	7.2773	6.7500	5.4094	6.1730	5.7252	5.6665	3.3620	5.8137	6.0936	6.9414
	MORESCO II	5.5077	5.9632	5.9380	6.9363	7.7672	7.6620	6.7580	6.2313	6.0984	5.7084	5.4781	5.2860	5.6084	5.9976	6.2368
	Region X Average	5.8414	6.2531	6.2210	6.9978	7.7365	7.9396	7.2210	6.5842	6.4675	6.0763	5.9046	6.0586	5.9223	6.4259	6.5466
REGION XI (Davao Region)																
	DORECO	5.5286	6.3498	6.3190	7.3611	8.2011	8.3606	7.5674	7.1441	6.8513	6.3437	6.3158	6.3181	6.0166	6.3392	6.3335
	DANECO	5.5661	6.0742	6.1449	6.5831	6.6369	8.7991	6.9689	6.3733	6.3363	5.9714	5.9103	5.8766	5.9812	6.0543	5.8484
	DASURECO	5.5265	5.1195	5.2367	6.5849	6.4549	7.4509	7.0511	6.2756	6.2045	5.8719	5.6527	5.6098	5.8046	5.9378	6.3757
	Region XI Average	5.5485	5.8007	5.8953	6.6914	6.7941	8.3159	7.0810	6.4502	6.3618	5.9886	5.8834	5.8549	5.9324	6.0531	6.0834
REGION XII																
	COTELCO	5.4301	5.7749	5.6955	6.5668	7.3127	7.5166	6.7432	6.1589	5.2289	5.5478	5.4580	5.5749	5.3731	5.5944	5.6154
	SOCOTECO I	5.9874	5.8146	6.9230	7.6353	7.5313	6.7751	5.7434	5.8377	5.4539	5.4143	5.4341	5.2218	5.4732	5.3777	5.5861
	SOCOTECO II	4.6707	5.0849	5.0837	5.8359	6.6037	6.3561	5.9202	5.0020	5.2751	4.9605	4.9658	4.8212	5.0666	5.2343	5.3191
	SUKELCO	5.6153	6.3096	5.9142	6.6257	7.4479	7.5500	6.8461	6.4000	6.2583	5.9206	5.8104	5.9103	5.8478	6.0540	5.9872
	Region XII Average	5.0173	5.4073	5.4611	6.2294	6.9111	6.7064	6.1429	5.4528	5.4060	5.2323	5.2036	5.1194	5.2634	5.4044	5.4845
ARMM (Autonomous Region in Muslim Mindanao																
	CASELCO	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS	NDS
	LASURECO	5.8795	6.1211	6.5026	6.1888	6.2201	6.2579	6.3019	5.6497	5.9115	6.6522	5.7717	5.8146	5.2626	5.6481	5.6828
	MAGELCO	6.1863	6.4169	6.3256	6.5859	8.2869	8.3163	7.6820	7.1956	6.2093	6.0194	6.0523	5.9543	5.7302	6.0211	7.2048
	SIASELCO	8.6883	8.6186	8.5623	8.5982	8.5855	8.4630	10.1322	8.5061	8.5207	9.0888	8.4263	8.3443	8.3614	9.0026	9.8952
	SULECO	7.9939	8.0277	8.0285	8.0074	7.9810	7.9681	8.0204	7.9357	7.9829	8.2143	8.2914	8.2405	8.1693	9.3979	10.6256

Annex 15 - Electric Cooperatives (ECs) Average Systems Rates (January 2010 –March 2011)

Average Systems Rates

		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
`	BASELCO	8.2176	8.2555	8.2670	8.3292	8.3288	8.1799	8.0065	8.1322	8.1452	8.1479	8.0884	8.1597	8.1066	8.7689	28.8491
	TAWELCO	8.5575	8.4616	8.4636	8.4289	8.4627	8.5255	8.4954	8.4907	8.5339	8.5002	8.5363	8.0637	8.5321	10.4272	10.3964
	ARMM Average	6.5852	6.7499	7.0406	6.8384	7.0780	7.1097	7.0526	6.7174	6.7481	7.1828	6.6833	6.6686	6.4001	6.9867	7.4852
CARAGA																
	ANECO	5.6568	6.3946	6.1128	7.2500	8.7436	8.5121	7.3311	6.4344	5.2639	5.3364	4.9925	5.2289	5.6378	5.9848	5.7834
	ASELCO	5.3957	6.3429	6.2864	6.9538	8.0518	8.1835	7.2097	6.2138	6.8221	6.3825	6.4278	5.9665	5.4934	6.2094	6.1218
	DIELCO	8.4723	7.8573	7.7238	7.7623	7.6584	7.5169	7.7325	7.4677	7.6789	7.6954	7.6286	7.6232	7.7917	8.3278	9.7315
	SIARELCO	7.1714	8.6849	8.7572	9.2472	11.8159	10.2436	9.4975	8.3986	9.0055	8.3704	8.3495	9.0718	7.9711	8.5628	8.6446
	SURNECO	5.0166	5.2466	5.5458	6.0242	6.8798	6.7978	5.9522	5.7756	5.3125	5.0898	5.1381	5.4685	5.0479	5.7623	5.4298
	SURSECO I	6.0834	6.4644	6.6039	7.9435	8.8646	8.7019	7.2217	7.3437	7.1212	6.5600	6.5892	6.5567	6.6180	6.6769	6.8632
	SURSECO II	5.9291	7.1395	7.2993	8.0645	8.5227	8.7093	7.9914	7.1213	7.0371	6.7605	6.6527	6.8278	6.3943	7.0032	7.2400
	CARAGA Average	5.6022	6.2546	6.2667	7.0723	8.1989	8.0693	7.0996	6.4549	5.8783	5.7331	5.5749	5.7316	5.6970	6.1989	6.0597
	Mindanao Average	5.4210	5.8413	5.9254	6.5785	7.2506	7.4486	6.6946	6.0196	5.9211	5.7061	5.5790	5.6328	5.5944	5.9155	5.9494
	National Average	6.6550	7.1099	7.3973	7.6887	7.7478	7.7176	7.5276	7.3776	7.0994	7.0189	7.1085	7.0989	7.2512	7.5399	7.6927

Source: NEA-MFSRs

NDS-No Data Submitted