

[ERC RESOLUTION NO. 01, S. 2010, January 25, 2010]

A RESOLUTION ADOPTING THE RULES FOR THE POWER SUPPLY OPTION PROGRAM (PSOP)

WHEREAS, pursuant to Section 43 of Republic Act 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), and its Implementing Rules and Regulation (IRR), the Commission is mandated to promulgate rules and regulations, and perform regulatory functions appropriate and necessary in order to ensure the successful restructuring and modernization of the electric power industry;

WHEREAS, it is necessary to provide the regulatory framework to ensure the effective implementation of the Power Supply Option Program (PSOP), in that an additional choice of supply is made available to qualified customers;

WHEREAS, to govern the PSOP, a set of Rules has been crafted to provide guidance, among others, on the eligibility of potential participants to the PSOP, the manner of entry and exit of said participants as well as the treatment of existing contracts during the implementation of the scheme;

WHEREAS, the first draft of the Rules was subjected to public consultation on September 4, 2008, and the second draft was posted in the two (2) ERC-administered websites on November 17, 2008 for second round of comments;

WHEREAS, from December 15, 2009 to January 15, 2010, the third draft was posted to seek the final comments from the industry participants;

WHEREAS, in accordance with the provisions of the EPIRA and after a careful consideration of the various views and comments submitted by interested parties, the Commission deems it appropriate to adopt the Rules for the PSOP;

NOW THEREFORE, the Commission, after a thorough and due deliberation, hereby **RESOLVES**, as it is hereby **RESOLVED**, to **APPROVE** and **ADOPT**, the "**Rules for the Power Supply Option Program**" herein attached as ANNEX "A"* and made an integral part of this Resolution.

This Resolution shall take effect immediately following its publication in a newspaper of general circulation.

Adopted: 25 Jan. 2010

(SGD.) ZENAIDA G. CRUZ-DUCUT
Chairperson