

[ERC RESOLUTION NO. 11, S. 2005, July 06, 2005]

**ADOPTING THE GUIDELINES FOR THE SETTING AND APPROVAL
OF ELECTRICITY GENERATION RATES AND SUBSIDIES FOR
MISSIONARY ELECTRIFICATION AREAS**

WHEREAS, Section 43(t) of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), authorizes the Energy Regulatory Commission (ERC) to perform such "regulatory functions as are appropriate and necessary in order to ensure the successful restructuring and modernization of the electric power industry, such as, but not limited to the rules and guidelines x x x;"

WHEREAS, on December 6, 2004, the National Power Corporation-Small Power Utilities Group (NPC-SPUG) filed with the Commission an application docketed as ERC Case No. 2004-450, for the adoption, pursuant to Sections 34, 43(t) and 70 of the EPIRA, of its Proposed Guidelines for the Setting of Electric Generation Rates and Subsidies for Missionary Electrification Areas (Guidelines);

WHEREAS, after NPC-SPUG amended its proposed Guidelines and submitted the same to the ERC, on April 21, 2005, the ERC issued an Order and Notice of Public Consultation setting the public consultations on the proposed Guidelines on May 19, 26, and June 2, 2005 for Luzon, Visayas and Mindanao, respectively;

WHEREAS, the ERC conducted the public consultations on the dates specified in its Order dated April 21, 2005 and as requested, conducted a fourth public consultation in Zamboanga City on June 21, 2005;

WHEREAS, the ERC received a number of comments on the proposed Guidelines and considered the same in its deliberations on the adoption of the proposed Guidelines and the necessary revisions thereto;

WHEREAS, in accordance with its mandate under the EPIRA, after consideration of the various views and comments submitted by interested parties, and based on its own study and analysis, the ERC finds it appropriate to adopt the Guidelines for the Setting and Approval of Electricity Generation Rates and Subsidies for Missionary Electrification Areas^{*}, which is hereto attached:

NOW, THEREFORE, the ERC hereby RESOLVES, as it hereby RESOLVED, to APPROVE and ADOPT the Guidelines for the Setting and Approval of Electricity Generation Rates and Subsidies for Missionary Electrification Areas.

This Resolution shall take effect on the tenth (10th) day following its publication in a newspaper of general circulation in the country.

Adopted: 06 July 2005