MEMORANDUM CIRCULAR No. 2006-015

FOR: Economic Zone Administrators / Managers
    All PEZA-Registered Locators Enterprises

FROM: Director General LILIA B. DE LIMA

SUBJECT: Energy Regulatory Commission Resolution No. 7,
          Series of 2006, amending Item No. 5 of the
          Certificate of Compliance Terms and Conditions

DATE: 17 May 2006

In a recent letter to the PEZA Director General, ERC Chairman & CEO
Rodolfo B. Albano, Jr. requested PEZA’s assistance in disseminating copies
of ERC Resolution No. 7, series of 2006 dated 08 March 2006, which amends
Item No. 5 of the Certificate of Compliance (COC) Terms and Conditions
 issued to entities owning self-generation facilities (SGFs).

Item No. 5 of the COC Terms and Conditions, as amended, provides that
entities owning SGFs are now required to submit annually, instead of the
previous monthly requirement, the required ERC reports, to wit:

“Within 30 days after the end of each year, the Generation
Company shall submit to ERC an electronic copy of the
monthly summary of its kWh generated, Company use, loss
or unaccounted energy, volume and amount of fuel utilized to
generate power.”

A copy of ERC Resolution No. 7, series of 2006 is attached herewith and may

For the information and guidance of all concerned.

"Trabaho at kabuhayan sa bawat tao"
President Gloria Macapagal-Arroyo
Republic of the Philippines  
ENERGY REGULATORY COMMISSION  
San Miguel Avenue, Pasig City  

RESOLUTION NO.    , Series of 2006

A RESOLUTION AMENDING THE TERMS AND CONDITIONS OF THE CERTIFICATE OF COMPLIANCE (COC) ISSUED TO ENTITIES OWNING SELF-GENERATION FACILITIES (SGFs) PARTICULARLY ITEM NO. 5 THEREOF

WHEREAS, the Guidelines for the issuance of Certificate of Compliance (COC), as amended was approved on June 20, 2002;

WHEREAS, on the basis of the aforesaid Guidelines, the terms and conditions of the Certificate of Compliance (COC) to be issued entities owning self-generation facilities (SGFs) were formulated and approved by the Commission in its meeting held on April 23, 2003;

WHEREAS, Item No. 5 of the terms and conditions of COC issued to entities owning SGFs provides as follows:

"Within 10 days after the end of each month, the Generation Company shall submit to ERC an electronic copy of the kWh generated, Company use, loss or unaccounted energy, volume and amount of fuel utilized to generate power;"

WHEREAS, there is a necessity to amend said Item No. 5 on the monthly submission of required reports by entities with SGFs to align with the annual reporting requirements for generation companies/Independent Power Producers (IPPs) to be less burdensome to entities owning SGFs;

NOW, THEREFORE, pursuant to its mandate, to promote a policy of full disclosure of all transactions involving public interest and provide an environment conducive to wholesome and constructive competition thereby promoting efficiency in the management and operation of Industry Participants, the ERC hereby amends Item No. 5 of the terms and conditions of the COC issued to entities owning SGFs, existing and newly constructed facilities, to read as follows:

"Within 30 days after the end of each year, the Generation Company shall submit to ERC an electronic copy of the monthly summary of its kWh generated, Company use, loss or unaccounted energy, volume and amount of fuel utilized to generate power;"

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

Pasig City, March 8, 2006.

(On Official Leave)  
OLYMPIA B. BUTALID Commissioner

(On Official Leave)  
RAUF A. TAN Commissioner

Chairman

JESUS N. ALCORDO Commissioner

ALEJANDRO Z. BARRIN Commissioner