

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



26
RESOLUTION NO. _____, SERIES OF 2011

**A RESOLUTION AMENDING RESOLUTION NO. 26,
SERIES OF 2010**

WHEREAS, on October 17, 2003, the Energy Regulatory Commission (ERC) issued the *"Guidelines to the Sale and Transfer of the TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*;

WHEREAS, on March 17, 2005, the ERC amended the said Guidelines in *Resolution No. 03, Series of 2005*, entitled *"In the Matter of Amending the Guidelines for the Sale and Transfer of the TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*;

WHEREAS, on January 26, 2009, the ERC further amended the said Guidelines in *Resolution No. 01, Series of 2009*, entitled *"A Resolution Adopting the Amendments to the Guidelines to the Sale and Transfer of TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*;

WHEREAS, *Section 5, Article V of Resolution No. 01, Series of 2009* provides that *"the subtransmission assets of TRANSCO/Concessionaire which have not been sold or disposed of by December 31, 2010 shall remain as its assets which shall be included in its Regulatory Asset Base (RAB)"*;

WHEREAS, on August 10, 2009, the ERC issued *Resolution No. 18, Series of 2009* clarifying *Resolution No. 01, Series of 2009* to the effect that the phrase *"subtransmission assets of TRANSCO/Concessionaire"* refers to *"Residual Subtransmission Assets (RSTAs)"* or the subtransmission assets which are shared by and between two (2) or more connected distribution utilities (DUs);

WHEREAS, on December 15, 2010, the ERC issued *Resolution No. 26, Series of 2010* amending *Section 5, Article V of Resolution Nos. 01 and 18, Series of 2009*, thus, extending the deadline for the disposition of the RSTAs until December 31, 2011;

WHEREAS, on December 19, 2011, the National Transmission Corporation (TRANSCO) requested the ERC to extend the December 31, 2011 deadline for the disposition of its RSTAs for a period of six (6) months or until June 30, 2012 considering that it has yet to dispose approximately twenty percent (20%) of its RSTAs due to the fact that various DUs are still negotiating for the formation of a consortium;

WHEREAS, the ERC considers the extension of the deadline to be in keeping with the mandates of the Electric Power Industry Reform Act of 2001 or the EPIRA;

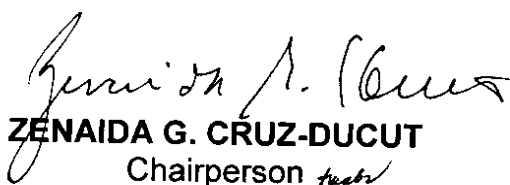
WHEREAS, considering that the DUs are still negotiating for the formation of a consortium, the ERC deems it appropriate to grant the request of TRANSCO with modification and extend the deadline until December 31, 2012 to afford the DUs ample time to acquire the RSTAs;

NOW THEREFORE, the ERC, after thorough and due deliberation, **RESOLVED**, as it hereby **RESOLVES** to **AMEND** Resolution No. 26, Series of 2010 by extending the deadline for the disposition of the RSTAs until December 31, 2012;


This Resolution shall take effect fifteen (15) days following its publication in a newspaper of general circulation in the Philippines.

Let copies of this Resolution be furnished the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR), TRANSCO, National Grid Corporation of the Philippines (NGCP), Philippine Electric Power Operators Association, Inc. (PEPOA), Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) and all the other DUs.

Pasig City, December 26, 2011.


ZENAIDA G. CRUZ-DUCUT
Chairperson *pro*


MARIA TERESA A.R. CASTAÑEDA
Commissioner


JOSE C. REYES
Commissioner


GLORIA VICTORIA C. TAP-TARUC
Commissioner


ALFREDO J. NON
Commissioner