

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC**  
**CY 2007-2011 Capital Expenditure Forecast (Total : PhP Nominal)**  
**Residual Capital Expenditure Information Summary : Renewal-related Projects**



ASSET CATEGORY	Capital Expenditure (total, expressed in nominal PhP)										
	Actual (Pesos, nominal in Pesos of calendar year)					Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements	-	-	-	-	-	-	-	-	-	-	
3 Station Equipment	-	-	-	-	-	-	-	-	-	-	
3a Power transformers	-	-	-	-	-	-	-	-	-	-	
3b Switchgear	-	-	-	-	-	3,552,098	923,753	513,612	-	-	
3c Protective equipment	-	-	-	-	-	-	-	-	-	-	
3d Metering & control equipment	-	-	-	-	-	-	-	-	-	-	
3e Communications equipment	-	-	-	-	-	-	-	-	-	-	
3f Other station equipment	-	-	-	-	-	2,349,192	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution	-	-	-	-	-	16,892,354	25,110,172	26,177,640	27,251,836	28,424,706	
5 Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution	-	-	-	-	-	2,535,615	12,991,721	12,493,996	13,212,766	10,536,373	
7 Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-	
8 Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-	
9 Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-	
10 Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-	
11 Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-	
12 Line Transformers - Distribution	-	-	-	-	-	11,084,940	15,315,947	15,967,050	16,622,255	17,337,647	
13 Line Transformers -Customer	-	-	-	-	-	-	-	-	-	-	
14 Power Conditioning Equipment	-	-	-	-	-	-	-	-	-	-	
15 Services	-	-	-	-	-	3,370,160	3,982,864	4,317,260	4,705,383	5,131,374	
16 Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	1,254,184	1,513,834	1,571,186	2,206,803	1,802,385	
17 Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-	
18 Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-	
20 Street Lights and Signal Systems	-	-	-	-	-	-	-	-	-	-	
21 Submarine Cables	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	41,038,543	59,838,291	61,040,745	63,999,044	63,232,485	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-	
3 Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-	
4 Transportation Equipment	-	-	-	-	-	-	-	-	-	-	
5 Stores Equipment	-	-	-	-	-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-	
7 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	
8 Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-	
9 Power-operated Equipment	-	-	-	-	-	-	-	-	-	-	
10 Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-	
11 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>	-	-	-	-	-	-	-	-	-	-	
<b>D. Transferred Subtransmission Assets</b>	-	-	-	-	-	-	-	-	-	-	
<b>E. Allocated Overheads Capitalized</b>	-	-	-	-	-	2,796,777	4,077,980	4,159,927	4,361,535	4,309,294	
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	43,835,319	63,916,270	65,200,671	68,360,579	67,541,778	
Exchange Rate Assumption for Forecast Period (Peso/US\$)											
(for quarters in regulatory year)											
Sep quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.91	52.42	52.91	52.91	
Dec quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91	
Mar quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91	
Jun quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91	
Philippines Consumer Price Index Assumption											
(for quarters in regulatory year)											
Sep quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
Dec quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
Mar quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
Jun quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
USA Consumer Price Index Assumption											
(for quarters in regulatory year)											
Sep quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15	
Dec quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15	
Mar quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15	
Jun quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15	
Base Value assumed for Philippine CPI figures	Year:		0	Value:	0						
Base Value assumed for USA CPI figures	Year:		0	Value:	0						

**CAGAYAN ELECTRIC POWER & LIGHT, CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)**  
**Residual Capital Expenditure Information Summary : Renewal-related Projects**



ASSET CATEGORY	Capital Expenditure: Peso Component (expressed in real PhP)										
	Actual					Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, real in Pesos of regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)						-	-	-	-	0	
2 Structures and Improvements						-	-	-	-	0	
3 Station Equipment						-	-	-	-	0	
3a Power transformers						-	-	-	-	-	
3b Switchgear						3,325,000.00	825,000.00	440,000.00	-	-	
3c Protective equipment						-	-	-	-	-	
3d Metering & control equipment						-	-	-	-	-	
3e Communications equipment						-	-	-	-	-	
3f Other station equipment						2,199,000.00	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution						15,812,369.00	22,425,803.46	22,425,803.46	22,425,803.46	22,425,803.46	
5 Poles, Towers and Fixtures - Customer						-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution						2,373,505.00	11,602,858.53	10,703,329.47	10,872,914.94	8,312,720.30	
7 Overhead Conductors and Devices - Customer						-	-	-	-	-	
8 Underground Circuits - Distribution						-	-	-	-	-	
9 Underground Circuits - Customer						-	-	-	-	-	
10 Underground Conduits - Distribution						-	-	-	-	-	
11 Underground Conduits - Customer						-	-	-	-	-	
12 Line Transformers - Distribution						10,376,243.00	13,678,617.00	13,678,617.00	13,678,617.00	13,678,617.00	
13 Line Transformers -Customer						-	-	-	-	-	
14 Power Conditioning Equipment						-	-	-	-	-	
15 Services						3,154,694.00	3,557,081.00	3,698,501.00	3,872,106.00	4,048,421.00	
16 Meters, Instruments & Metering Transformers - Distrib						1,174,000.00	1,352,000.00	1,346,000.00	1,816,000.00	1,422,000.00	
17 Meters, Instruments & Metering Transformers - Custom						-	-	-	-	-	
18 Information Technology Equipment (distribution)						-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises						-	-	-	-	-	
20 Street Lights and Signal Systems						-	-	-	-	-	
21 Submarine Cables						-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>					0	38,414,811.00	53,441,359.99	52,292,250.94	52,665,441.40	49,887,561.77	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)											
2 Structures and Improvements (non-network)											
3 Office Furniture and Equipment											
4 Transportation Equipment											
5 Stores Equipment											
6 Tools, Shop and Garage Equipment											
7 Laboratory Equipment											
8 Information Systems Equipment (non-network)											
9 Power-operated Equipment											
10 Communication Plant and Equipment											
11 Miscellaneous Equipment											
<b>SUB-TOTAL General Plant</b>					0	0	0	0	0	0	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>						2,617,969.37	3,642,028.68	3,563,716.90	3,589,149.83	3,399,837.33	
<b>TOTAL CAPITAL EXPENDITURE</b>					0	41,032,780.37	57,083,388.68	55,855,967.84	56,254,591.23	53,287,399.10	
<b>Exchange Rate Assumption for Forecast Period</b> (Sep quarter Dec quarter Mar quarter Jun quarter)											
<b>Philippines Consumer Price Index Assumption</b> (Sep quarter Dec quarter Mar quarter Jun quarter)											
<b>USA Consumer Price Index Assumption</b> (Sep quarter Dec quarter Mar quarter Jun quarter)											
<b>Base Value assumed for Philippine CPI figures</b>	Year:		Value:								
<b>Base Value assumed for USA CPI figures</b>	Year:		Value:								

**CAGAYAN ELECTRIC POWER & LIGHT, CO., INC.**  
 CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)  
 Residual Capital Expenditure Information Summary : Renewal-related Projects



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in real US\$)									
	Actual				Budget (Calendar year)	Budget (Regulatory year)	Forecast (US\$, real in US\$ for regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011
<b>A. Distribution Plant</b>										
1 Land and Land Rights (Distribution Purposes)										
2 Structures and Improvements										
3 Station Equipment										
3a Power transformers										
3b Switchgear										
3c Protective equipment										
3d Metering & control equipment										
3e Communications equipment										
3f Other station equipment										
4 Poles, Towers and Fixtures - Distribution										
5 Poles, Towers and Fixtures - Customer										
6 Overhead Conductors and Devices - Distribution										
7 Overhead Conductors and Devices - Customer										
8 Underground Circuits - Distribution										
9 Underground Circuits - Customer										
10 Underground Conduits - Distribution										
11 Underground Conduits - Customer										
12 Line Transformers - Distribution										
13 Line Transformers - Customer										
14 Power Conditioning Equipment										
15 Services										
16 Meters, Instruments & Metering Transformers - Distribution										
17 Meters, Instruments & Metering Transformers - Customer										
18 Information Technology Equipment (distribution)										
19 Regulated Entity Property on Consumer's Premises										
20 Street Lights and Signal Systems										
21 Submarine Cables										
<b>SUB-TOTAL Distribution Plant</b>					0	0	0	0	0	0
<b>B. General Plant</b>										
1 Land and Land Rights (non-network)										
2 Structures and Improvements (non-network)										
3 Office Furniture and Equipment										
4 Transportation Equipment										
5 Stores Equipment										
6 Tools, Shop and Garage Equipment										
7 Laboratory Equipment										
8 Information Systems Equipment (non-network)										
9 Power-operated Equipment										
10 Communication Plant and Equipment										
11 Miscellaneous Equipment										
<b>SUB-TOTAL General Plant</b>					0	0	0	0	0	0
<b>C. Materials and Supplies (including spares)</b>										
<b>D. Transferred Subtransmission Assets</b>										
<b>E. Allocated Overheads Capitalized</b>										
<b>TOTAL CAPITAL EXPENDITURE</b>					0	0	0	0	0	0
<b>Exchange Rate Assumption for Forecast Period</b> (Sep quarter										
Dec quarter										
Mar quarter										
Jun quarter										
<b>Philippines Consumer Price Index Assumption</b> Sep quarter										
Dec quarter										
Mar quarter										
Jun quarter										
<b>USA Consumer Price Index Assumption</b> Sep quarter										
Dec quarter										
Mar quarter										
Jun quarter										
<b>Base Value assumed for Philippine CPI figures</b>	Year:		Value:							
<b>Base Value assumed for USA CPI figures</b>	Year:		Value:							

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Renewal-related Projects**



		Capital Expenditure : Peso component (total, expressed in nominal PHP)										
		Actual (Pesos, nominal in Pesos of calendar year)					Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)			
ASSET CATEGORY		2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>												
1	Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	
2	Structures and Improvements					-	-	-	-	-	-	
3	Station Equipment					-	-	-	-	-	-	
	3a Power transformers					-	-	-	-	-	-	
	3b Switchgear					-	3,552,098	923,753	513,612	-	-	
	3c Protective equipment					-	-	-	-	-	-	
	3d Metering & control equipment					-	-	-	-	-	-	
	3e Communications equipment					-	-	-	-	-	-	
	3f Other station equipment					-	2,349,192	-	-	-	-	
4	Poles, Towers and Fixtures - Distribution					-	16,892,354	25,110,172	26,177,640	27,251,836	28,424,706	
5	Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	
6	Overhead Conductors and Devices - Distribution					-	2,535,615	12,991,721	12,493,996	13,212,766	10,536,373	
7	Overhead Conductors and Devices - Customer					-	-	-	-	-	-	
8	Underground Circuits - Distribution					-	-	-	-	-	-	
9	Underground Circuits - Customer					-	-	-	-	-	-	
10	Underground Conduits - Distribution					-	-	-	-	-	-	
11	Underground Conduits - Customer					-	-	-	-	-	-	
12	Line Transformers - Distribution					-	11,084,940	15,315,947	15,967,050	16,622,255	17,337,647	
13	Line Transformers - Customer					-	-	-	-	-	-	
14	Power Conditioning Equipment					-	-	-	-	-	-	
15	Services					-	-	-	-	-	-	
16	Meters, Instruments & Metering Transformers - Distribution					-	3,370,160	3,982,864	4,317,260	4,705,383	5,131,374	
17	Meters, Instruments & Metering Transformers - Customer					-	1,254,184	1,513,834	1,571,186	2,206,803	1,802,385	
18	Information Technology Equipment (distribution)					-	-	-	-	-	-	
19	Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	
20	Street Lights and Signal Systems					-	-	-	-	-	-	
21	Submarine Cables					-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>							41,038,543	59,838,291	61,040,745	63,999,044	63,232,485	
<b>B. General Plant</b>												
1	Land and Land Rights (non-network)					-	-	-	-	-	-	
2	Structures and Improvements (non-network)					-	-	-	-	-	-	
3	Office Furniture and Equipment					-	-	-	-	-	-	
4	Transportation Equipment					-	-	-	-	-	-	
5	Stores Equipment					-	-	-	-	-	-	
6	Tools, Shop and Garage Equipment					-	-	-	-	-	-	
7	Laboratory Equipment					-	-	-	-	-	-	
8	Information Systems Equipment (non-network)					-	-	-	-	-	-	
9	Power-operated Equipment					-	-	-	-	-	-	
10	Communication Plant and Equipment					-	-	-	-	-	-	
11	Miscellaneous Equipment					-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>							-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>												
<b>D. Transferred Subtransmission Assets</b>												
<b>E. Allocated Overheads Capitalized</b>												
<b>TOTAL CAPITAL EXPENDITURE</b>							43,835,319	63,916,270	65,200,671	68,360,579	67,541,778	
Exchange Rate Assumption for Forecast Period (Peso/US\$)												
	Sep quarter											
	Dec quarter											
	Mar quarter											
	Jun quarter											
Philippines Consumer Price Index Assumption (for quarters in regulatory year)												
	Sep quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
	Dec quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
	Mar quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
	Jun quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27	
USA Consumer Price Index Assumption												
	Sep quarter											
	Dec quarter											
	Mar quarter											
	Jun quarter											
Base Value assumed for Philippine CPI figures		Year:		Value:								
Base Value assumed for USA CPI figures		Year:		Value:								

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Renewal-related Projects**



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in nominal US\$)										
	Actual (US\$, nominal in US\$ of calendar year)				Budget (Calendar year)		Budget (Regulatory year)		Forecast (US\$, nominal in US\$ of regulatory year)		
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	
2 Structures and Improvements					-	-	-	-	-	-	
3 Station Equipment					-	-	-	-	-	-	
3a Power transformers					-	-	-	-	-	-	
3b Switchgear					-	-	-	-	-	-	
3c Protective equipment					-	-	-	-	-	-	
3d Metering & control equipment					-	-	-	-	-	-	
3e Communications equipment					-	-	-	-	-	-	
3f Other station equipment					-	-	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution					-	-	-	-	-	-	
5 Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution					-	-	-	-	-	-	
7 Overhead Conductors and Devices - Customer					-	-	-	-	-	-	
8 Underground Circuits - Distribution					-	-	-	-	-	-	
9 Underground Circuits - Customer					-	-	-	-	-	-	
10 Underground Conduits - Distribution					-	-	-	-	-	-	
11 Underground Conduits - Customer					-	-	-	-	-	-	
12 Line Transformers - Distribution					-	-	-	-	-	-	
13 Line Transformers -Customer					-	-	-	-	-	-	
14 Power Conditioning Equipment					-	-	-	-	-	-	
15 Services					-	-	-	-	-	-	
16 Meters, Instruments & Metering Transformers - Distribution					-	-	-	-	-	-	
17 Meters, Instruments & Metering Transformers - Customer					-	-	-	-	-	-	
18 Information Technology Equipment (distribution)					-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	
20 Street Lights and Signal Systems					-	-	-	-	-	-	
21 Submarine Cables					-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)					-	-	-	-	-	-	
2 Structures and Improvements (non-network)					-	-	-	-	-	-	
3 Office Furniture and Equipment					-	-	-	-	-	-	
4 Transportation Equipment					-	-	-	-	-	-	
5 Stores Equipment					-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment					-	-	-	-	-	-	
7 Laboratory Equipment					-	-	-	-	-	-	
8 Information Systems Equipment (non-network)					-	-	-	-	-	-	
9 Power-operated Equipment					-	-	-	-	-	-	
10 Communication Plant and Equipment					-	-	-	-	-	-	
11 Miscellaneous Equipment					-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	-	-	-	-	-	
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
	Mar quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
	Jun quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Base Value assumed for Philippine CPI figures	Year:					Value:					
Base Value assumed for USA CPI figures	Year:					Value:					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Renewal-related Projects**



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in nominal PhP)										
	Actual (Pesos, nominal in Pesos of calendar year)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)				
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements	-	-	-	-	-	-	-	-	-	-	
3 Station Equipment	-	-	-	-	-	-	-	-	-	-	
3a Power transformers	-	-	-	-	-	-	-	-	-	-	
3b Switchgear	-	-	-	-	-	-	-	-	-	-	
3c Protective equipment	-	-	-	-	-	-	-	-	-	-	
3d Metering & control equipment	-	-	-	-	-	-	-	-	-	-	
3e Communications equipment	-	-	-	-	-	-	-	-	-	-	
3f Other station equipment	-	-	-	-	-	-	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution	-	-	-	-	-	-	-	-	-	-	
5 Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution	-	-	-	-	-	-	-	-	-	-	
7 Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-	
8 Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-	
9 Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-	
10 Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-	
11 Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-	
12 Line Transformers - Distribution	-	-	-	-	-	-	-	-	-	-	
13 Line Transformers - Customer	-	-	-	-	-	-	-	-	-	-	
14 Power Conditioning Equipment	-	-	-	-	-	-	-	-	-	-	
15 Services	-	-	-	-	-	-	-	-	-	-	
16 Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	-	-	-	-	-	
17 Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-	
18 Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-	
20 Street Lights and Signal Systems	-	-	-	-	-	-	-	-	-	-	
21 Submarine Cables	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-	
3 Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-	
4 Transportation Equipment	-	-	-	-	-	-	-	-	-	-	
5 Stores Equipment	-	-	-	-	-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-	
7 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	
8 Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-	
9 Power-operated Equipment	-	-	-	-	-	-	-	-	-	-	
10 Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-	
11 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>	-	-	-	-	-	-	-	-	-	-	
<b>D. Transferred Subtransmission Assets</b>	-	-	-	-	-	-	-	-	-	-	
<b>E. Allocated Overheads Capitalized</b>	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	-	-	-	-	-	
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	Mar quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	Jun quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:				Value:						
Base Value assumed for USA CPI figures	Year:				Value:						

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Total : PhP Nominal)**  
**Residual Capital Expenditure Information Summary : Refurbishment-related Projects**



ASSET CATEGORY	Capital Expenditure (total, expressed in nominal PhP)									
	Actual (Pesos, nominal in Pesos of calendar year)					Budget (Calendar year)		Forecast (Pesos, nominal in Pesos of regulatory year)		
	2003	2004	2005	2006	2007	2007 (Regulatory year)	2008	2009	2010	2011
<b>A. Distribution Plant</b>										
1 Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-
2 Structures and Improvements	-	-	-	-	-	213,660	111,970	-	-	-
3 Station Equipment	-	-	-	-	-	-	-	-	-	-
3a Power transformers	-	-	-	-	-	23,198,388	2,034,760	-	-	-
3b Switchgear	-	-	-	-	-	518,126	3,359,100	-	-	614,738
3c Protective equipment	-	-	-	-	-	940,104	-	894,409	-	-
3d Metering & control equipment	-	-	-	-	-	-	-	-	-	-
3e Communications equipment	-	-	-	-	-	-	-	-	-	-
3f Other station equipment	-	-	-	-	-	-	-	-	-	-
4 Poles, Towers and Fixtures - Distribution	-	-	-	-	-	-	-	-	-	-
5 Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-
6 Overhead Conductors and Devices - Distribution	-	-	-	-	-	-	-	-	-	-
7 Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-
8 Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-
9 Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-
10 Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-
11 Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-
12 Line Transformers - Distribution	-	-	-	-	-	-	-	-	-	-
13 Line Transformers - Customer	-	-	-	-	-	-	-	-	-	-
14 Power Conditioning Equipment	-	-	-	-	-	-	-	-	-	-
15 Services	-	-	-	-	-	-	-	-	-	-
16 Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	961,470	1,074,912	116,730	121,520	126,750
17 Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-
18 Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-
19 Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-
20 Street Lights and Signal Systems	-	-	-	-	-	-	-	-	-	-
21 Submarine Cables	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	25,831,747	6,580,742	1,011,139	121,520	741,488
<b>B. General Plant</b>										
1 Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-
2 Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-
3 Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-
4 Transportation Equipment	-	-	-	-	-	-	-	-	-	-
5 Stores Equipment	-	-	-	-	-	-	-	-	-	-
6 Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-
7 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
8 Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-
9 Power-operated Equipment	-	-	-	-	-	-	-	-	-	-
10 Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-
11 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-
<b>C. Materials and Supplies (including spares)</b>	-	-	-	-	-	-	-	-	-	-
<b>D. Transferred Subtransmission Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>E. Allocated Overheads Capitalized</b>	-	-	-	-	-	1,745,873	440,847	68,909	8,282	50,532
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	27,577,620	7,021,589	1,080,048	129,802	792,020
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91
	Mar quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91
	Jun quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91
Philippines Consumer Price Index Assumption	Sep quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22
	Mar quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22
	Jun quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22
USA Consumer Price Index Assumption	Sep quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.15
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.15
	Mar quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.15
	Jun quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.15
Base Value assumed for Philippine CPI figures	Year:		0	Value:	0					
Base Value assumed for USA CPI figures	Year:		0	Value:	0					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**

**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)**

**Residual Capital Expenditure Information Summary : Refurbishment related projects**



Capital Expenditure: Peso Component (expressed in real PHP)											
ASSET CATEGORY	Actual					Budget		Forecast			
	2003	2004	2005	2006	2007	(Calendar year)	(Regulatory year)	(Pesos, real in Pesos of regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)						0	0	0	0	0	
2 Structures and Improvements						200,000	100,000	0	0	0	
3 Station Equipment						0	0	0	0	0	
3a Power transformers						21,715,237	1,817,237	0	0	0	
3b Switchgear						485,000	3,000,000	0	0	485,000	
3c Protective equipment						880,000	0	766,220	0	0	
3d Metering & control equipment						0	0	0	0	0	
3e Communications equipment						0	0	0	0	0	
3f Other station equipment						0	0	0	0	0	
4 Poles, Towers and Fixtures - Distribution						0	0	0	0	0	
5 Poles, Towers and Fixtures - Customer						0	0	0	0	0	
6 Overhead Conductors and Devices - Distribution						0	0	0	0	0	
7 Overhead Conductors and Devices - Customer						0	0	0	0	0	
8 Underground Circuits - Distribution						0	0	0	0	0	
9 Underground Circuits - Customer						0	0	0	0	0	
10 Underground Conduits - Distribution						0	0	0	0	0	
11 Underground Conduits - Customer						0	0	0	0	0	
12 Line Transformers - Distribution						0	0	0	0	0	
13 Line Transformers - Customer						0	0	0	0	0	
14 Power Conditioning Equipment						0	0	0	0	0	
15 Services						0	0	0	0	0	
16 Meters, Instruments & Metering Transformers - Distribution						900,000	960,000	100,000	100,000	100,000	
17 Meters, Instruments & Metering Transformers - Customer						0	0	0	0	0	
18 Information Technology Equipment (distribution)						0	0	0	0	0	
19 Regulated Entity Property on Consumer's Premises						0	0	0	0	0	
20 Street Lights and Signal Systems						0	0	0	0	0	
21 Submarine Cables						0	0	0	0	0	
<b>SUB-TOTAL Distribution Plant</b>						0	24180237	5877237	866220	100000	585000
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)											
2 Structures and Improvements (non-network)											
3 Office Furniture and Equipment											
4 Transportation Equipment											
5 Stores Equipment											
6 Tools, Shop and Garage Equipment											
7 Laboratory Equipment											
8 Information Systems Equipment (non-network)											
9 Power-operated Equipment											
10 Communication Plant and Equipment											
11 Miscellaneous Equipment											
<b>SUB-TOTAL General Plant</b>						0	0	0	0	0	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>						1,634,253	393,719	59,033	6,815	39,868	
<b>TOTAL CAPITAL EXPENDITURE</b>						0	25814490.15	6270955.702	925252.893	106815	624867.75
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:		Value:								
Base Value assumed for USA CPI figures	Year:		Value:								

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**

**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)**

**Residual Capital Expenditure Information Summary : Refurbishment related projects**



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in real US\$)									
	Actual				Budget	Budget	Forecast			
	2003	2004	2005	2006	(Calendar year) 2007	(Regulatory year) 2007	2008	2009	2010	2011
<b>A. Distribution Plant</b>										
1 Land and Land Rights (Distribution Purposes)										
2 Structures and Improvements										
3 Station Equipment										
3a Power transformers										
3b Switchgear										
3c Protective equipment										
3d Metering & control equipment										
3e Communications equipment										
3f Other station equipment										
4 Poles, Towers and Fixtures - Distribution										
5 Poles, Towers and Fixtures - Customer										
6 Overhead Conductors and Devices - Distribution										
7 Overhead Conductors and Devices - Customer										
8 Underground Circuits - Distribution										
9 Underground Circuits - Customer										
10 Underground Conduits - Distribution										
11 Underground Conduits - Customer										
12 Line Transformers - Distribution										
13 Line Transformers -Customer										
14 Power Conditioning Equipment										
15 Services										
16 Meters, Instruments & Metering Transformers - Distribution										
17 Meters, Instruments & Metering Transformers - Customer										
18 Information Technology Equipment (distribution)										
19 Regulated Entity Property on Consumer's Premises										
20 Street Lights and Signal Systems										
21 Submarine Cables										
<b>SUB-TOTAL Distribution Plant</b>					0	0	0	0	0	0
<b>B. General Plant</b>										
1 Land and Land Rights (non-network)										
2 Structures and Improvements (non-network)										
3 Office Furniture and Equipment										
4 Transportation Equipment										
5 Stores Equipment										
6 Tools, Shop and Garage Equipment										
7 Laboratory Equipment										
8 Information Systems Equipment (non-network)										
9 Power-operated Equipment										
10 Communication Plant and Equipment										
11 Miscellaneous Equipment										
<b>SUB-TOTAL General Plant</b>					0	0	0	0	0	0
<b>C. Materials and Supplies (including spares)</b>										
<b>D. Transferred Subtransmission Assets</b>										
<b>E. Allocated Overheads Capitalized</b>										
<b>TOTAL CAPITAL EXPENDITURE</b>					0	0	0	0	0	0
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter									
	Dec quarter									
	Mar quarter									
	Jun quarter									
Philippines Consumer Price Index Assumption	Sep quarter									
	Dec quarter									
	Mar quarter									
	Jun quarter									
USA Consumer Price Index Assumption	Sep quarter									
	Dec quarter									
	Mar quarter									
	Jun quarter									
Base Value assumed for Philippine CPI figures	Year:			Value:						
Base Value assumed for USA CPI figures	Year:			Value:						

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**

**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)  
Residual Capital Expenditure Information Summary : Refurbishment-related Projects**



Capital Expenditure : Peso component (total, expressed in nominal PHP)											
ASSET CATEGORY	Actual (Pesos, nominal in Pesos of calendar year)					Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	
2 Structures and Improvements					-	213,660	111,970	-	-	-	
3 Station Equipment					-	-	-	-	-	-	
3a Power transformers					-	23,198,388	2,034,760	-	-	-	
3b Switchgear					-	518,126	3,359,100	-	-	614,738	
3c Protective equipment					-	940,104	-	894,409	-	-	
3d Metering & control equipment					-	-	-	-	-	-	
3e Communications equipment					-	-	-	-	-	-	
3f Other station equipment					-	-	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution					-	-	-	-	-	-	
5 Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution					-	-	-	-	-	-	
7 Overhead Conductors and Devices - Customer					-	-	-	-	-	-	
8 Underground Circuits - Distribution					-	-	-	-	-	-	
9 Underground Circuits - Customer					-	-	-	-	-	-	
10 Underground Conduits - Distribution					-	-	-	-	-	-	
11 Underground Conduits - Customer					-	-	-	-	-	-	
12 Line Transformers - Distribution					-	-	-	-	-	-	
13 Line Transformers -Customer					-	-	-	-	-	-	
14 Power Conditioning Equipment					-	-	-	-	-	-	
15 Services					-	-	-	-	-	-	
16 Meters, Instruments & Metering Transformers - Distribution					-	961,470	1,074,912	116,730	121,520	126,750	
17 Meters, Instruments & Metering Transformers - Customer					-	-	-	-	-	-	
18 Information Technology Equipment (distribution)					-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	
20 Street Lights and Signal Systems					-	-	-	-	-	-	
21 Submarine Cables					-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	25,831,747	6,580,742	1,011,139	121,520	741,488	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)					-	-	-	-	-	-	
2 Structures and Improvements (non-network)					-	-	-	-	-	-	
3 Office Furniture and Equipment					-	-	-	-	-	-	
4 Transportation Equipment					-	-	-	-	-	-	
5 Stores Equipment					-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment					-	-	-	-	-	-	
7 Laboratory Equipment					-	-	-	-	-	-	
8 Information Systems Equipment (non-network)					-	-	-	-	-	-	
9 Power-operated Equipment					-	-	-	-	-	-	
10 Communication Plant and Equipment					-	-	-	-	-	-	
11 Miscellaneous Equipment					-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>						1,745,873	440,847	68,909	8,282	50,532	
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	27,577,620	7,021,589	1,080,048	129,802	792,020	
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption (for quarters in regulatory year)	Sep quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Dec quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Mar quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Jun quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:					Value:					
Base Value assumed for USA CPI figures	Year:					Value:					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**

CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)

Residual Capital Expenditure Information Summary : Refurbishment-related Projects



		Capital Expenditure: US\$ Component (expressed in nominal US\$)										
		Actual (US\$, nominal in US\$ of calendar year)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (US\$, nominal in US\$ of regulatory year)				
ASSET CATEGORY		2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>												
1	Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	
2	Structures and Improvements					-	-	-	-	-	-	
3	Station Equipment					-	-	-	-	-	-	
3a	Power transformers					-	-	-	-	-	-	
3b	Switchgear					-	-	-	-	-	-	
3c	Protective equipment					-	-	-	-	-	-	
3d	Metering & control equipment					-	-	-	-	-	-	
3e	Communications equipment					-	-	-	-	-	-	
3f	Other station equipment					-	-	-	-	-	-	
4	Poles, Towers and Fixtures - Distribution					-	-	-	-	-	-	
5	Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	
6	Overhead Conductors and Devices - Distribution					-	-	-	-	-	-	
7	Overhead Conductors and Devices - Customer					-	-	-	-	-	-	
8	Underground Circuits - Distribution					-	-	-	-	-	-	
9	Underground Circuits - Customer					-	-	-	-	-	-	
10	Underground Conduits - Distribution					-	-	-	-	-	-	
11	Underground Conduits - Customer					-	-	-	-	-	-	
12	Line Transformers - Distribution					-	-	-	-	-	-	
13	Line Transformers -Customer					-	-	-	-	-	-	
14	Power Conditioning Equipment					-	-	-	-	-	-	
15	Services					-	-	-	-	-	-	
16	Meters, Instruments & Metering Transformers - Distribution					-	-	-	-	-	-	
17	Meters, Instruments & Metering Transformers - Customer					-	-	-	-	-	-	
18	Information Technology Equipment (distribution)					-	-	-	-	-	-	
19	Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	
20	Street Lights and Signal Systems					-	-	-	-	-	-	
21	Submarine Cables					-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>		-	-	-	-	-	-	-	-	-	-	
<b>B. General Plant</b>												
1	Land and Land Rights (non-network)					-	-	-	-	-	-	
2	Structures and Improvements (non-network)					-	-	-	-	-	-	
3	Office Furniture and Equipment					-	-	-	-	-	-	
4	Transportation Equipment					-	-	-	-	-	-	
5	Stores Equipment					-	-	-	-	-	-	
6	Tools, Shop and Garage Equipment					-	-	-	-	-	-	
7	Laboratory Equipment					-	-	-	-	-	-	
8	Information Systems Equipment (non-network)					-	-	-	-	-	-	
9	Power-operated Equipment					-	-	-	-	-	-	
10	Communication Plant and Equipment					-	-	-	-	-	-	
11	Miscellaneous Equipment					-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>		-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>		-	-	-	-	-	-	-	-	-	-	
<b>D. Transferred Subtransmission Assets</b>		-	-	-	-	-	-	-	-	-	-	
<b>E. Allocated Overheads Capitalized</b>		-	-	-	-	-	-	-	-	-	-	
<b>TOTAL CAPITAL EXPENDITURE</b>		-	-	-	-	-	-	-	-	-	-	
Exchange Rate Assumption for Forecast Period (Peso/US\$)		Sep quarter										
		Dec quarter										
		Mar quarter										
		Jun quarter										
Philippines Consumer Price Index Assumption		Sep quarter										
		Dec quarter										
		Mar quarter										
		Jun quarter										
USA Consumer Price Index Assumption		Sep quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
(for quarters in regulatory year)		Dec quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
		Mar quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
		Jun quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Base Value assumed for Philippine CPI figures		Year:	Value:									
Base Value assumed for USA CPI figures		Year:	Value:									

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Refurbishment-related Projects**



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in nominal PHP)										
	Actual (Pesos, nominal in Pesos of calendar)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)				
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements	-	-	-	-	-	-	-	-	-	-	
3 Station Equipment	-	-	-	-	-	-	-	-	-	-	
3a Power transformers	-	-	-	-	-	-	-	-	-	-	
3b Switchgear	-	-	-	-	-	-	-	-	-	-	
3c Protective equipment	-	-	-	-	-	-	-	-	-	-	
3d Metering & control equipment	-	-	-	-	-	-	-	-	-	-	
3e Communications equipment	-	-	-	-	-	-	-	-	-	-	
3f Other station equipment	-	-	-	-	-	-	-	-	-	-	
4 Poles, Towers and Fixtures - Distribution	-	-	-	-	-	-	-	-	-	-	
5 Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution	-	-	-	-	-	-	-	-	-	-	
7 Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-	
8 Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-	
9 Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-	
10 Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-	
11 Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-	
12 Line Transformers - Distribution	-	-	-	-	-	-	-	-	-	-	
13 Line Transformers - Customer	-	-	-	-	-	-	-	-	-	-	
14 Power Conditioning Equipment	-	-	-	-	-	-	-	-	-	-	
15 Services	-	-	-	-	-	-	-	-	-	-	
16 Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	-	-	-	-	-	
17 Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-	
18 Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-	
20 Street Lights and Signal Systems	-	-	-	-	-	-	-	-	-	-	
21 Submarine Cables	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-	
2 Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-	
3 Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-	
4 Transportation Equipment	-	-	-	-	-	-	-	-	-	-	
5 Stores Equipment	-	-	-	-	-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-	
7 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	
8 Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-	
9 Power-operated Equipment	-	-	-	-	-	-	-	-	-	-	
10 Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-	
11 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
<b>TOTAL CAPITAL EXPENDITURE</b>											
Exchange Rate Assumption for Forecast Period (Peso/US\$) (for quarters in regulatory year)	Sep quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	Dec quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	Mar quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	Jun quarter	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures		Year:			Value:						
Base Value assumed for USA CPI figures		Year:			Value:						

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Total : PhP Nominal)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



ASSET CATEGORY		Capital Expenditure (total, expressed in nominal PhP)									
		Actual (Pesos, nominal in Pesos of calendar year)			Budget (Calendar year)		Forecast (Pesos, nominal in Pesos of regulatory year)				
		2003	2004	2005	2006	2007	2007	2008	2009	2010	2011
<b>A. Distribution Plant</b>											
1	Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-
2	Structures and Improvements	-	-	-	-	-	-	3,967,097	-	-	-
3	Station Equipment	-	-	-	-	-	-	-	-	-	-
3a	Power transformers	-	-	-	-	-	52,030,781	226,179	-	-	-
3b	Switchgear	-	-	-	-	-	-	17,650,255	-	-	-
3c	Protective equipment	-	-	-	-	-	-	10,171,888	-	-	-
3d	Metering & control equipment	-	-	-	-	-	-	1,570,215	-	-	-
3e	Communications equipment	-	-	-	-	-	24,358,647	58,244,018	4,348,796	4,527,248	-
3f	Other station equipment	-	-	-	-	-	70,508	2,883,399	38,521	40,102	-
4	Poles, Towers and Fixtures - Distribution	-	-	-	-	-	59,692,090	36,407,961	21,872,912	19,920,179	20,844,168
5	Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-
6	Overhead Conductors and Devices - Distribution	-	-	-	-	-	46,659,995	34,426,539	24,030,005	27,552,327	27,783,838
7	Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-
8	Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-
9	Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-
10	Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-
11	Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-
12	Line Transformers - Distribution	-	-	-	-	-	1,651,752	3,462,448	3,609,642	3,757,763	3,919,490
13	Line Transformers - Customer	-	-	-	-	-	-	-	-	-	-
14	Power Conditioning Equipment	-	-	-	-	-	-	28,063,841	19,403,934	8,075,707	-
15	Services	-	-	-	-	-	1,214,203	1,285,998	1,420,791	1,546,208	1,678,119
16	Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	22,743,092	46,245,513	31,518,384	32,514,742	35,183,519
17	Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-
18	Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-
19	Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-
20	Street Lights and Signal Systems	-	-	-	-	-	128,119	268,567	279,984	291,473	304,017
21	Submarine Cables	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL Distribution Plant</b>		-	-	-	-	-	208,549,187	244,873,919	106,522,968	98,225,749	89,713,151
<b>B. General Plant</b>											
1	Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-
2	Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-
3	Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-
4	Transportation Equipment	-	-	-	-	-	-	-	-	-	-
5	Stores Equipment	-	-	-	-	-	-	-	-	-	-
6	Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-
7	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
8	Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-
9	Power-operated Equipment	-	-	-	-	-	-	-	-	-	-
10	Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-
11	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL General Plant</b>		-	-	-	-	-	-	-	-	-	-
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
<b>TOTAL CAPITAL EXPENDITURE</b>		-	-	-	-	-	222,761,814	261,291,719	113,782,508	104,919,834	95,827,103
Exchange Rate Assumption for Forecast Period (Peso/US\$)		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
(for quarters in regulatory year)		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Sep quarter		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Dec quarter		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Mar quarter		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Jun quarter		1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Philippines Consumer Price Index Assumption		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
(for quarters in regulatory year)		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
Sep quarter		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
Dec quarter		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
Mar quarter		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
Jun quarter		1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
USA Consumer Price Index Assumption		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
(for quarters in regulatory year)		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Sep quarter		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Dec quarter		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Mar quarter		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Jun quarter		1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
Base Value assumed for Philippine CPI figures		Year:	0	Value:	0						
Base Value assumed for USA CPI figures		Year:	0	Value:	0						

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



Capital Expenditure: Peso Component (expressed in real PHP)											
ASSET CATEGORY	Actual				Budget	Budget	Forecast				
	2003	2004	2005	2006	(Calendar year)	(Regulatory year)	2007	2008	2009	2010	2011
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)						0	0	0	0	0	0
2 Structures and Improvements						0	3,543,000	0	0	0	0
3 Station Equipment						0	0	0	0	0	0
3a Power transformers						704,000	202,000	0	0	0	0
3b Switchgear						0	1,125,019	0	0	0	0
3c Protective equipment						0	261,394	0	0	0	0
3d Metering & control equipment						0	0	0	0	0	0
3e Communications equipment						2,034,000	5,693,517	3,725,517	3,725,517	0	0
3f Other station equipment						66,000	1,943,000	33,000	33,000	0	0
4 Poles, Towers and Fixtures - Distribution						55,875,774	32,515,817	18,738,038	16,392,510	16,445,103	0
5 Poles, Towers and Fixtures - Customer						0	0	0	0	0	0
6 Overhead Conductors and Devices - Distribution						30,666,687	27,274,666	16,589,500	19,267,279	20,040,000	0
7 Overhead Conductors and Devices - Customer						0	0	0	0	0	0
8 Underground Circuits - Distribution						0	0	0	0	0	0
9 Underground Circuits - Customer						0	0	0	0	0	0
10 Underground Conduits - Distribution						0	0	0	0	0	0
11 Underground Conduits - Customer						0	0	0	0	0	0
12 Line Transformers - Distribution						1,546,150	3,092,300	3,092,300	3,092,300	3,092,300	0
13 Line Transformers -Customer						0	0	0	0	0	0
14 Power Conditioning Equipment						0	17,523,335	14,378,784	5,737,132	0	0
15 Services						1,136,575	1,148,520	1,217,160	1,272,390	1,323,960	0
16 Meters, Instruments & Metering Transformers - Distribution						21,289,050	41,301,700	27,001,100	26,756,700	27,758,200	0
17 Meters, Instruments & Metering Transformers - Customer						0	0	0	0	0	0
18 Information Technology Equipment (distribution)						0	0	0	0	0	0
19 Regulated Entity Property on Consumer's Premises						0	0	0	0	0	0
20 Street Lights and Signal Systems						119,928	239,856	239,856	239,856	239,856	0
21 Submarine Cables						0	0	0	0	0	0
<b>SUB-TOTAL Distribution Plant</b>						<b>0</b>	<b>113438163.9</b>	<b>135864124.5</b>	<b>85015255.24</b>	<b>76516684.34</b>	<b>68899419.38</b>
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)											
2 Structures and Improvements (non-network)											
3 Office Furniture and Equipment											
4 Transportation Equipment											
5 Stores Equipment											
6 Tools, Shop and Garage Equipment											
7 Laboratory Equipment											
8 Information Systems Equipment (non-network)											
9 Power-operated Equipment											
10 Communication Plant and Equipment											
11 Miscellaneous Equipment											
<b>SUB-TOTAL General Plant</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
<b>TOTAL CAPITAL EXPENDITURE</b>						<b>0</b>	<b>121168974.8</b>	<b>144881809.2</b>	<b>90809044.89</b>	<b>81731296.38</b>	<b>73594914.81</b>
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:					Value:					
Base Value assumed for USA CPI figures	Year:					Value:					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Real)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



Capital Expenditure: US\$ Component (expressed in real US\$)											
ASSET CATEGORY	Actual				Budget	Budget	Forecast				
	2003	2004	2005	2006	(Calendar year)	(Regulatory year)	(US\$, real in US\$ for regulatory year)				
					2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)						0	0	0	0	0	
2 Structures and Improvements						0	0	0	0	0	
3 Station Equipment						0	0	0	0	0	
3a Power transformers						939128.6	0	0	0	0	
3b Switchgear						0	294864.1707	0	0	0	
3c Protective equipment						0	177725.5818	0	0	0	
3d Metering & control equipment						0	28247.96364	0	0	0	
3e Communications equipment						406313.9231	933116.1399	0	0	0	
3f Other station equipment						0	12733.62248	0	0	0	
4 Poles, Towers and Fixtures - Distribution						0	0	0	0	0	
5 Poles, Towers and Fixtures - Customer						0	0	0	0	0	
6 Overhead Conductors and Devices - Distribution						254545	69928.32	81720.32	69928.32	39207.08	
7 Overhead Conductors and Devices - Customer						0	0	0	0	0	
8 Underground Circuits - Distribution						0	0	0	0	0	
9 Underground Circuits - Customer						0	0	0	0	0	
10 Underground Conduits - Distribution						0	0	0	0	0	
11 Underground Conduits - Customer						0	0	0	0	0	
12 Line Transformers - Distribution						0	0	0	0	0	
13 Line Transformers -Customer						0	0	0	0	0	
14 Power Conditioning Equipment						0	151887.7696	45888.33712	18652.34059	0	
15 Services						0	0	0	0	0	
16 Meters, Instruments & Metering Transformers - Distribution						0	0	0	0	0	
17 Meters, Instruments & Metering Transformers - Customer						0	0	0	0	0	
18 Information Technology Equipment (distribution)						0	0	0	0	0	
19 Regulated Entity Property on Consumer's Premises						0	0	0	0	0	
20 Street Lights and Signal Systems						0	0	0	0	0	
21 Submarine Cables						0	0	0	0	0	
<b>SUB-TOTAL Distribution Plant</b>						<b>0</b>	<b>1599987.523</b>	<b>1668503.568</b>	<b>127608.6571</b>	<b>88580.66059</b>	<b>39207.08</b>
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)											
2 Structures and Improvements (non-network)											
3 Office Furniture and Equipment											
4 Transportation Equipment											
5 Stores Equipment											
6 Tools, Shop and Garage Equipment											
7 Laboratory Equipment											
8 Information Systems Equipment (non-network)											
9 Power-operated Equipment											
10 Communication Plant and Equipment											
11 Miscellaneous Equipment											
<b>SUB-TOTAL General Plant</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
<b>TOTAL CAPITAL EXPENDITURE</b>						<b>0</b>	<b>1709026.673</b>	<b>1782212.086</b>	<b>136305.1871</b>	<b>94617.43261</b>	<b>41879.0425</b>
Exchange Rate Assumption for Forecast Period (Peso/US\$)	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:										
Base Value assumed for USA CPI figures	Year:										

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



ASSET CATEGORY	Capital Expenditure : Peso component (total, expressed in nominal PhP)										
	Actual (Pesos, nominal in Pesos of calendar year)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)				
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	
2 Structures and Improvements					-	-	3,967,097	-	-	-	
3 Station Equipment					-	-	-	-	-	-	
3a Power transformers					-	752,083	226,179	-	-	-	
3b Switchgear					-	-	1,259,684	-	-	-	
3c Protective equipment					-	-	292,683	-	-	-	
3d Metering & control equipment					-	-	-	-	-	-	
3e Communications equipment					-	2,172,922	6,375,031	4,348,796	4,527,248	-	
3f Other station equipment					-	70,508	2,175,577	38,521	40,102	-	
4 Poles, Towers and Fixtures - Distribution					-	59,692,090	36,407,961	21,872,912	19,920,179	20,844,168	
5 Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	
6 Overhead Conductors and Devices - Distribution					-	32,761,221	30,539,444	19,364,924	23,413,598	25,400,700	
7 Overhead Conductors and Devices - Customer					-	-	-	-	-	-	
8 Underground Circuits - Distribution					-	-	-	-	-	-	
9 Underground Circuits - Customer					-	-	-	-	-	-	
10 Underground Conduits - Distribution					-	-	-	-	-	-	
11 Underground Conduits - Customer					-	-	-	-	-	-	
12 Line Transformers - Distribution					-	1,651,752	3,462,448	3,609,642	3,757,763	3,919,490	
13 Line Transformers - Customer					-	-	-	-	-	-	
14 Power Conditioning Equipment					-	-	19,620,878	16,784,355	6,971,763	-	
15 Services					-	1,214,203	1,285,998	1,420,791	1,546,208	1,678,119	
16 Meters, Instruments & Metering Transformers - Distribution					-	22,743,092	46,245,513	31,518,384	32,514,742	35,183,519	
17 Meters, Instruments & Metering Transformers - Customer					-	-	-	-	-	-	
18 Information Technology Equipment (distribution)					-	-	-	-	-	-	
19 Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	
20 Street Lights and Signal Systems					-	128,119	268,567	279,984	291,473	304,017	
21 Submarine Cables					-	-	-	-	-	-	
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	121,185,991	152,127,060	99,238,307	92,983,075	87,330,014	
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)					-	-	-	-	-	-	
2 Structures and Improvements (non-network)					-	-	-	-	-	-	
3 Office Furniture and Equipment					-	-	-	-	-	-	
4 Transportation Equipment					-	-	-	-	-	-	
5 Stores Equipment					-	-	-	-	-	-	
6 Tools, Shop and Garage Equipment					-	-	-	-	-	-	
7 Laboratory Equipment					-	-	-	-	-	-	
8 Information Systems Equipment (non-network)					-	-	-	-	-	-	
9 Power-operated Equipment					-	-	-	-	-	-	
10 Communication Plant and Equipment					-	-	-	-	-	-	
11 Miscellaneous Equipment					-	-	-	-	-	-	
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>						8,258,825	10,097,101	6,763,091	6,336,797	5,951,540	
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	129,444,816	162,224,162	106,001,398	99,319,871	93,281,555	
Exchange Rate Assumption for Forecast Period (Peso/US\$)											
	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Philippines Consumer Price Index Assumption (for quarters in regulatory year)	Sep quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Dec quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Mar quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
	Jun quarter	1.00	1.00	1.00	1.00	1.07	1.07	1.12	1.17	1.22	1.27
USA Consumer Price Index Assumption	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
Base Value assumed for Philippine CPI figures	Year:					Value:					
Base Value assumed for USA CPI figures	Year:					Value:					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



Capital Expenditure: US\$ Component (expressed in nominal US\$)											
ASSET CATEGORY	Actual (US\$, nominal in US\$ of calendar year)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (US\$, nominal in US\$ of regulatory year)				
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011	
<b>A. Distribution Plant</b>											
1 Land and Land Rights (Distribution Purposes)					-	-	-	-	-	-	-
2 Structures and Improvements					-	-	-	-	-	-	-
3 Station Equipment					-	-	-	-	-	-	-
3a Power transformers					-	972,749	-	-	-	-	-
3b Switchgear					-	-	312,703	-	-	-	-
3c Protective equipment					-	-	188,478	-	-	-	-
3d Metering & control equipment					-	-	29,957	-	-	-	-
3e Communications equipment					-	420,860	989,570	-	-	-	-
3f Other station equipment					-	-	13,504	-	-	-	-
4 Poles, Towers and Fixtures - Distribution					-	-	-	-	-	-	-
5 Poles, Towers and Fixtures - Customer					-	-	-	-	-	-	-
6 Overhead Conductors and Devices - Distribution					-	263,658	74,159	89,002	78,215	45,037	-
7 Overhead Conductors and Devices - Customer					-	-	-	-	-	-	-
8 Underground Circuits - Distribution					-	-	-	-	-	-	-
9 Underground Circuits - Customer					-	-	-	-	-	-	-
10 Underground Conduits - Distribution					-	-	-	-	-	-	-
11 Underground Conduits - Customer					-	-	-	-	-	-	-
12 Line Transformers - Distribution					-	-	-	-	-	-	-
13 Line Transformers - Customer					-	-	-	-	-	-	-
14 Power Conditioning Equipment					-	-	161,077	49,977	20,863	-	-
15 Services					-	-	-	-	-	-	-
16 Meters, Instruments & Metering Transformers - Distribution					-	-	-	-	-	-	-
17 Meters, Instruments & Metering Transformers - Customer					-	-	-	-	-	-	-
18 Information Technology Equipment (distribution)					-	-	-	-	-	-	-
19 Regulated Entity Property on Consumer's Premises					-	-	-	-	-	-	-
20 Street Lights and Signal Systems					-	-	-	-	-	-	-
21 Submarine Cables					-	-	-	-	-	-	-
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	1,657,267	1,769,448	138,979	99,077	45,037	-
<b>B. General Plant</b>											
1 Land and Land Rights (non-network)					-	-	-	-	-	-	-
2 Structures and Improvements (non-network)					-	-	-	-	-	-	-
3 Office Furniture and Equipment					-	-	-	-	-	-	-
4 Transportation Equipment					-	-	-	-	-	-	-
5 Stores Equipment					-	-	-	-	-	-	-
6 Tools, Shop and Garage Equipment					-	-	-	-	-	-	-
7 Laboratory Equipment					-	-	-	-	-	-	-
8 Information Systems Equipment (non-network)					-	-	-	-	-	-	-
9 Power-operated Equipment					-	-	-	-	-	-	-
10 Communication Plant and Equipment					-	-	-	-	-	-	-
11 Miscellaneous Equipment					-	-	-	-	-	-	-
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-	-
<b>C. Materials and Supplies (including spares)</b>											
<b>D. Transferred Subtransmission Assets</b>											
<b>E. Allocated Overheads Capitalized</b>											
					-	112,943	120,588	9,471	6,752	3,069	-
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	1,770,210	1,890,036	148,450	105,830	48,106	-
<b>Exchange Rate Assumption for Forecast Period (Peso/US\$)</b>											
	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
<b>Philippines Consumer Price Index Assumption</b>											
	Sep quarter										
	Dec quarter										
	Mar quarter										
	Jun quarter										
<b>USA Consumer Price Index Assumption</b>											
	Sep quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
(for quarters in regulatory year)	Dec quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
	Mar quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
	Jun quarter	1.00	1.00	1.00	1.00	1.04	1.04	1.06	1.09	1.12	1.15
<b>Base Value assumed for Philippine CPI figures</b>											
	Year:					Value:					
<b>Base Value assumed for USA CPI figures</b>											
	Year:					Value:					

**CAGAYAN ELECTRIC POWER & LIGHT CO., INC.**  
**CY 2007-2011 Capital Expenditure Forecast (Local and US component : Nominal)**  
**Residual Capital Expenditure Information Summary : Growth related projects**



ASSET CATEGORY	Capital Expenditure: US\$ Component (expressed in nominal PhP)									
	Actual (Pesos, nominal in Pesos of calendar)				Budget (Calendar year)	Budget (Regulatory year)	Forecast (Pesos, nominal in Pesos of regulatory year)			
	2003	2004	2005	2006	2007	2007	2008	2009	2010	2011
<b>A. Distribution Plant</b>										
1 Land and Land Rights (Distribution Purposes)	-	-	-	-	-	-	-	-	-	-
2 Structures and Improvements	-	-	-	-	-	-	-	-	-	-
3 Station Equipment	-	-	-	-	-	-	-	-	-	-
3a Power transformers	-	-	-	-	-	51,278,698	-	-	-	-
3b Switchgear	-	-	-	-	-	-	16,390,571	-	-	-
3c Protective equipment	-	-	-	-	-	-	9,879,205	-	-	-
3d Metering & control equipment	-	-	-	-	-	-	1,570,215	-	-	-
3e Communications equipment	-	-	-	-	-	22,185,725	51,868,987	-	-	-
3f Other station equipment	-	-	-	-	-	-	707,822	-	-	-
4 Poles, Towers and Fixtures - Distribution	-	-	-	-	-	-	-	-	-	-
5 Poles, Towers and Fixtures - Customer	-	-	-	-	-	-	-	-	-	-
6 Overhead Conductors and Devices - Distribution	-	-	-	-	-	13,898,774	3,887,095	4,665,081	4,138,730	2,383,137
7 Overhead Conductors and Devices - Customer	-	-	-	-	-	-	-	-	-	-
8 Underground Circuits - Distribution	-	-	-	-	-	-	-	-	-	-
9 Underground Circuits - Customer	-	-	-	-	-	-	-	-	-	-
10 Underground Conduits - Distribution	-	-	-	-	-	-	-	-	-	-
11 Underground Conduits - Customer	-	-	-	-	-	-	-	-	-	-
12 Line Transformers - Distribution	-	-	-	-	-	-	-	-	-	-
13 Line Transformers - Customer	-	-	-	-	-	-	-	-	-	-
14 Power Conditioning Equipment	-	-	-	-	-	-	8,442,963	2,619,579	1,103,945	-
15 Services	-	-	-	-	-	-	-	-	-	-
16 Meters, Instruments & Metering Transformers - Distribution	-	-	-	-	-	-	-	-	-	-
17 Meters, Instruments & Metering Transformers - Customer	-	-	-	-	-	-	-	-	-	-
18 Information Technology Equipment (distribution)	-	-	-	-	-	-	-	-	-	-
19 Regulated Entity Property on Consumer's Premises	-	-	-	-	-	-	-	-	-	-
20 Street Lights and Signal Systems	-	-	-	-	-	-	-	-	-	-
21 Submarine Cables	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL Distribution Plant</b>	-	-	-	-	-	87,363,197	92,746,858	7,284,660	5,242,674	2,383,137
<b>B. General Plant</b>										
1 Land and Land Rights (non-network)	-	-	-	-	-	-	-	-	-	-
2 Structures and Improvements (non-network)	-	-	-	-	-	-	-	-	-	-
3 Office Furniture and Equipment	-	-	-	-	-	-	-	-	-	-
4 Transportation Equipment	-	-	-	-	-	-	-	-	-	-
5 Stores Equipment	-	-	-	-	-	-	-	-	-	-
6 Tools, Shop and Garage Equipment	-	-	-	-	-	-	-	-	-	-
7 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
8 Information Systems Equipment (non-network)	-	-	-	-	-	-	-	-	-	-
9 Power-operated Equipment	-	-	-	-	-	-	-	-	-	-
10 Communication Plant and Equipment	-	-	-	-	-	-	-	-	-	-
11 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL General Plant</b>	-	-	-	-	-	-	-	-	-	-
<b>C. Materials and Supplies (including spares)</b>										
<b>D. Transferred Subtransmission Assets</b>										
<b>E. Allocated Overheads Capitalized</b>										
<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-	-	-	5,953,802	6,320,698	496,450	357,288	162,411
Exchange Rate Assumption for Forecast Period (Peso/US\$)	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
(for quarters in regulatory year)	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
	1.00	1.00	1.00	1.00	52.72	52.72	52.42	52.42	52.91	52.91
Philippines Consumer Price Index Assumption										
USA Consumer Price Index Assumption										
Base Value assumed for Philippine CPI figures	Year:		Value:							
Base Value assumed for USA CPI figures	Year:		Value:							