

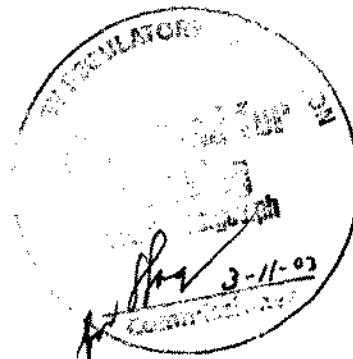


ILIGAN LIGHT AND POWER, INC.

LA SALLE ROAD, ILIGAN CITY*TEL. NOS. 2-02-12, 2-02-34*P.O. BOX 5483*CABLE ADDRESS: ILIGAN LIGHT

March 7, 2003

ENERGY REGULATORY COMMISSION
Pacific Center
San Miguel Avenue
Ortigas, Pasig City



Attention : Atty. Maria Corazon C. Gines
Consumer Affairs

Subject : In the Matter of Adoption of the Competition Rules, Guidelines and Complaint Procedures for the Promotion of Competition and Market Development and Providing Penalties for Abuse of Market Power, Cartelization and Anti-Competitive or Discriminatory Behavior per ERC Case No. 2003-47

Dear Madam:

We respectfully submit our comments for your consideration:

1. Is it necessary that all acquisition of stocks be cleared with ERC before any transaction is made, or only in cases where it will lead or likely lead to substantially lessening competition in the market? For instance, should sale of an immaterial number of stocks to individuals with no existing ownerships in any other Electric Power Industry Participant be cleared and authorized?
2. What are the measurable parameters to be applied in determining that an agreement, stock acquisition, merger or consolidation would lead to the substantially lessening competition in the market?
3. The approval process of clearance and granting of authorization should be time-bound to control factors that may lead to delays such as unreasonable oppositions. To provide for the applicant's submission of requirements, the period may be reckoned from the time the applicant has completed all pre-established or standard requirements. No further extension of time and expansion of requirements must be made as such may prolong the approval period. This must be embodied in the Competition Rules.
4. Clarify Rule 14, (5)(b) the provision on the demand of a distribution utility versus the provisions in Rule 16, (3)(e) and (f). Wouldn't coincidental demand be a more reasonable basis instead of aggregate?

We thank you for your usual kind attention to our comments or concerns relative to the development of guidelines that affect the power industry.

Very truly yours,


ILIGAN LIGHT & POWER, INC.
Iligan City