

Public Information Division

---

From: Angeles Electric [aecmla@info.com.ph]  
Sent: Wednesday, February 12, 2003 5:57 PM  
To: info@erc.gov.ph  
Subject: Comments on DECOR and DICER



February 12, 2003

ATTY. MARINA BUGAYONG  
Commissioner  
ENERGY REGULATORY COMMISSION

Dear Atty. Bugayong,

We endorse the comments submitted by PEPOA. In addition, the definition of generation costs should not be limited to just the cost of fuel consumed but should also include generation costs that will be incurred due to increased generation.

There is no recovery mechanism for changes in the transmission charge. The underlying presumption is that monthly demand will remain constant throughout the test period which is not the case. TRANSCO charges are very much sensitive to changes in the system load factor. It should therefore be given the same mechanism for recovery as the generation charge.

Very truly yours,

BENJAMIN L. HERRADURA  
ANGELES ELECTRIC CORPORATION