

**REGULATORY OPERATIONS SERVICE
Tariffs and Rates Division**

**Proposed Amendments/Clarifications on
ERC Case No. 2003-187**

In the Matter of the Approval of the Guidelines Governing Remittances and Disbursements of the Universal Charge.

PSALM’s Proposal

1. Proposed Amendments

PSALM noted that based on the UC Guidelines, the submission of the reports pertaining to the UC billings, collections and remittances are made at the same time as making its remittance to PSALM. Therefore, PSALM can only account the receivables two (2) months after it was billed, thereby creating understatement and abnormal balance in the UC receivables account.

In order to address the understated and abnormal balance in the UC receivables account due to delay in the submission of reports, the following amendments are proposed:

From	To
<p>Section 5(c) For proper control and recording, each Collecting Entity shall submit all the necessary information to PSALM as required under Section (“Provision of Information”) at the same time as making its remittance to the Main Trust Account-Universal Charge.</p>	<p>Section 5(c) For proper control and timely recording, each Collecting Entity shall submit to PSALM all the necessary information pertaining to billing of the Universal Charge as required under Section (“Provision of Information”) on the fifteenth (15th) day of the succeeding month. Similarly, information on collection and remittance of Universal Charge as required under Section (“Provision of Information”) shall be submitted to PSALM on the fifteenth (15th) day following the collection period, to coincide with the date of remittance.</p>
<p>Section 6.01 (b) The statements or information x x x in respect of each calendar month should be submitted to PSALM (by electronic mail or facsimile transmission) by each Collecting Entity to arrive on or before the fifteenth (15th) day of the succeeding month or in any case no later than the date on which the Collecting Entity remits its collections of the Universal Charge to the Main Trust Account – Universal Charge-x x x.</p>	<p>Section 6.01 (b) The statements or information x x x in respect of each calendar month should be submitted to PSALM (by electronic mail or facsimile transmission) by each Collecting Entity to arrive on or before the fifteenth (15th) day of the succeeding month.</p>

2. Proposed Additional Provision to be inserted after Sec. 6.04

The UC billing summary provided by Collecting Entities (CEs) located in the transmission system are verified using the report from TRANSCO. However, reports submitted by CEs located in the SPUG area could not be validated, unless NPC-SPUG is required to render a report of actual meter readings in Kilowatt hours for all CEs under its jurisdiction. Hence, it is suggested that the following provision should be inserted after Section 6.04:

Sec 6.05 Reports by NPC-SPUG – No later than the fifteenth (15th) day of each calendar month, the National Power Corporation – Strategic Power Utilities Group (NPC-SPUG) shall submit to PSALM a summary of its actual meter readings in kilowatt hours for the immediately preceding calendar month separately identifying each metering point and the corresponding Distribution Utility, supplier or End-User in the SPUG area.

Timetable :

Date	Day	Activity
May 19, 2005	Thursday	Posting at the ERC Website of the first draft of the Proposed Amendments on the Guidelines and Issuance of Notice containing the deadline for submission of comments and the date of public consultation.
May 23, 2005	Monday	Publication of the Draft Guidelines and Notice in a leading Newspaper of General Circulation.
June 2, 2005	Thursday	Deadline for submission of written comments.
June 9, 2005	Thursday	Public Consultation on the proposed Amendments to be held at the ERC Hearing Room at 9:30 A.M.

Please send your comments via e-mail to tariffsrates@ERC.gov.ph.

