

Republic of the Philippines National Electrification Administration

27 October 2006

NEA MEMORANDUM No. 2006-029

TO

ALL EC GENERAL MANAGERS

SUBJECT

ERC's Extension of Deadline for the Application

for Approval of Caps on the Recoverable Rate

of Distribution System Losses

As per the attached letter from Commissioner Jose C. Reyes of the Energy Regulatory Commission (ERC) dated 05 October 2006, please be informed that the deadline for the application for Approval of Caps on the Recoverable Rate of Distribution System Losses has been extended to 31 January 2007. ERC will issue a resolution to this effect in order to allow distribution utilities (DUs) more time to prepare and submit their respective petitions.

We hope that all ECs will take advantage of this extension.

Thank you.

NATIONAL ELECTRIFICATION

EDITA S. BUENO

Administrator

IN REPLYING. PLS. (ITE: #0R009429



October 5, 2006

MS. EDITA BUENO
Administrator
National Electrification Administration (NEA)
Ortigas Avenue
Pasig City 0300

Dear Ms. Bueno:

The Energy Regulatory Commission (ERC) takes cognizance of the concerns of the Distribution Utilities (DUs) during the consultation conducted on September 13, 2006 regarding the status of the DUs' preparation of petitions in compliance with Article IV (Filing Requirements and Procedures) of the "Guidelines for the Application and Approval of Caps on the Recoverable Rate of Distribution System Losses".

In this regard, please be informed that the ERC has decided to extend the forthcoming deadline and allow DUs to submit their respective petitions on or before January 31, 2007. A resolution will be issued to this effect.

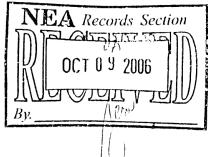
Should you have further concerns regarding this matter, please contact the Standards and Compliance Monitoring Division of the Regulatory Operations Service at telephone no. 914-5000 locals 121 or 122.

Very trul yours,

JOSE/C. REYES Commissioner

RNV/EOO





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