A RESOLUTION AMENDING THE PERTINENT PROVISIONS OF RESOLUTION NO. 48, SERIES OF 2006 (A RESOLUTION SUMMARIZING THE APPLICABLE LEGAL PRINCIPLES AND POLICIES OF THE ENERGY REGULATO...

Read online (full-text search, related cases, audio case brief): https://batas.org/library/df727a342c1a/

This is to amend the pertinent provisions of Resolution No. 48, Series of 2006 approved on September 20, 2006 relative to the legal principles and policies governing end-user connection, to read as follows:

> "4.2.1 Existing End-users Connected to TRANSCO's Substransmission System
>
> xxx xxx xxx
>
> 4.2.2 Generation and Transmission Charges for Directly Connected End-users upon the sale of the subtransmission assets to the DU

Upon acquisition of sub-transmission assets by the DU, the directly connected end-user shall continue to source its power requirements from NPC or SGCs/IPPs during the effectivity of their power supply contracts (PSCs). NPC and SGCs/IPPs should continue to bill the directly connected end-users until the expiration of their PSCs and shall provide the DU a list of their directly connected end-users, their historical data on the energy consumptions and the respective expiration dates of their power supply contracts at least twelve (12) months prior to their expiration.

Upon expiration of the PSCs, the DU shall be responsible for procuring the energy requirements of all its end-users including the directly connected end-users. The energy requirements of these customers shall be part of the blended purchased power of the DU. If the DU has no sufficient supply of power, the directly connected end-users shall be allowed to secure their power requirements from other IPPs, subject to the approval of the Commission.

With respect to the Transmission Supply Agreements (TSAs) between the directly connected end-users and TRANSCO/NGCP, the same shall remain enforceable and binding between the parties for purposes of billing the other charges such as PDS, System Operation, Metering Service and Ancillary Services in accordance with their TSAs.

Upon the consummation of the sale of the subtransmission assets, TRANSCO/NGCP and the DU shall provide their respective metering facilities at the new asset boundary. While NGCP's end-user's metering facilities have not been replaced by those of the DU or an NGCP meter has not been installed at the asset boundary, TRANSCO/NGCP shall provide the DU with metering data to allow the DU to bill and collect the applicable sub-transmission charges.

5.0 Alternative Source of Power for Directly Connected End-users

Considering that majority of its generation plants were privatized and transferred to SGCs, there may be an instance where NPC could no longer supply the power requirements of its existing customers including the directly connected end-users. As a consequence, the NPC may not renew or extend the PSCs of the directly

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

connected end-users. In such a case, the directly connected end-users shall be allowed to source their power requirements from other IPPs in cases where the DU concerned has not established its financial and technical capability of providing sufficient supply of power. The PSCs to be executed by and between the directly connected end-users and the IPPs shall be subject to the approval of the Commission.

6.0. Qualification of a Directly Connected End-user Upon Implementation of Retail Competition and Open Access

In line with the Commission's mandate to enhance the competitive operation of electricity markets, all directly connected end-users which qualify under the threshold level set forth in Section 31 of the EPIRA shall form part of the contestable market upon the commencement of open access regardless of existing contractual arrangements and whether the sub-transmission assets where they are connected have been sold to the DU.

On the matter of contractual arrangements, a distinction has to be made on whether the expiration of the contract occurs prior or after the commencement of open access.

In cognizance of the non-impairment clause, all contracts where the terms expire after the commencement of open access, whether assigned or not to any SGC, shall remain inviolable and valid. The status of the customer as a contestable customer, if qualified, as such, shall not be affected and should be certified as such by the Commission. While the NPC or the SGC may serve the requirements of the customer, a valid license to act as such should be obtained from the Commission inasmuch as only a licensed RES is authorized to serve said contestable customer.

Once these contracts expire and open access and retail competition are already in effect, a particular directly connected end-user can exercise its power to choose a RES and shall be covered by the rules and regulations governing the competitive retail electricity market.

When retail competition is already in place, no extension of such contract shall be made.

For contracts where the terms will expire prior to the commencement of open access, the renewal shall automatically terminate on such date, regardless of whether said contracts are assigned to an SGC or not.

7.0 Summary of ERC Policies on End-user Connections

Prescinding from the foregoing, the ERC hereby re-states its policies on End-user connections, as follows:

> "5.1 xxx
>
> xxx xxx xxx
>
> 5.6 Upon acquisition of the substransmission assets by the qualified DU, the NPC or its SGC, IPP and NGCP shall continue to bill the directly connected end-user of the Generation Charge, Power Delivery Service (PDS), System Operation, Metering Service and Ancillary Services in accordance with their existing Transmission Services Agreement (TSA) and power supply contracts. The DU and the directly connected end-user shall execute a Distribution Wheeling Services Agreement or Connection Agreement commensurate to the sub-transmission assets acquired by the DU and in accordance with the Guidelines to the Sale and Transfer of TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums.
>
> 5.7 Upon expiration of the PSCs, the directly connected end-user shall be allowed to source its power requirements from an IPP in cases where NPC or SGC has no sufficient capacity or the DU has not established its financial and technical capability of providing continuous, sufficient and reliable supply of power, subject

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

to the approval of the Commission.

5.8 All directly connected end-users which qualify under the threshold level set forth in Section 31 of the EPIRA shall form part of the contestable market upon the commencement of open access regardless of the existing contractual arrangements and whether the sub-transmission assets where they are connected have been sold to the DU.

5.9 While the NPC, SGC or IPP may serve the requirements of the customer, a valid license to act as such should be obtained from the Commission inasmuch as only a licensed RES is authorized to serve said contestable customer upon implementation of open access."

This Resolution shall take effect fifteen (15) days after publication in a newspaper of general circulation in the country.

Let copies of this Resolution be furnished the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR) and all entities engaged in the generation, transmission, distribution and supply of electricity.

Adopted: 15 December 2010

(SGD.) ZENAIDA G. CRUZ-DUCUT

Chairperson

(SGD.) RAUF A. TAN (ON OFFICIAL LEAVE)

(SGD.) ALEJANDRO Z. BARIN

Commissioner

Commissioner

(SGD.) MARIA TERESA A.R. CASTANEDA

(SGD.) JOSE C. REYES

Commissioner

Commissioner

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.