

[ERC RESOLUTION NO. 02, S. 2010, February 22, 2010]

A RESOLUTION ADOPTING THE AMENDMENTS TO THE DISTRIBUTION SERVICES AND OPEN ACCESS RULES (DSOAR)

WHEREAS, on January 18, 2006, the Commission promulgated the Distribution Services and Open Access Rules (DSOAR) which took effect on February 17, 2006 and aims to provide rules and terms and conditions pertaining to Distribution Connection Assets and Services, Service to the Captive Market, Supplier of Last Resort, Service to the Contestable Market, Unbundled Distribution Wheeling Service and Guidelines for Establishing Regulated Service Rates;

WHEREAS, the Energy Regulatory Board's (ERB) "Standard Rules and Regulations Governing the Operation of Electrical Power Services" and ERB Resolution 95-21 were superseded by the DSOAR;

WHEREAS, recognizing the need to amend the DSOAR in view of the new regulatory regimes that were adopted for the Private Utilities (PUs) and the Electric Cooperatives (ECs), such as the Performance-Based Regulation (PBR) and Rules for Setting Electric Cooperatives' Wheeling Rates (RSEC-WR), respectively, the Commission solicited comments/inputs from the industry stakeholders in October 2007;

WHEREAS, the Commission's "Rules on Re-Distribution of Electricity", which was incorporated in the DSOAR, aim to address and protect the interests of individual tenants or unit owners of buildings/condominiums, who are being billed by a re-distributor. A public consultation on the said Rules was conducted in 2006;

WHEREAS, on February 25, 2009, the Commission posted at its website the proposed amendments to the DSOAR and the Notice of Public Consultation;

WHEREAS, on March 13, 2009 and March 19, 2009, expository presentations on the proposed amendments to the DSOAR were conducted in the Commission's Main Office for Luzon stakeholders and at the Eduardo Aboitiz Development Studies Center in Cebu for the Visayas and Mindanao stakeholders, respectively. Subsequently, on April 7, 2009, a public consultation thereon was held;

WHEREAS, after the April 7, 2009 public consultation, no comment/input on the "Rules for Re-Distribution of Electricity" was received by the Commission. In view thereof, the Commission held meetings with identified contact persons of condominium and mall unit owner, such as Ayala Group, SM Group, Serendra, Jollibee and McDonalds as well as with the Organization of Socialized Housing Developers of the Philippines (OSHDP), a low cost housing/condominium developer. Said stakeholders' comments/inputs on the DSOAR were then considered in the proposed amendments;