

**[ERC RESOLUTION NO. 02, SERIES OF 2008,
January 23, 2008]**

A RESOLUTION ADOPTING THE RULES FOR CONTESTABILITY

WHEREAS, pursuant to Sections 2 and 43 of Republic Act 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), and its Implementing Rules and Regulations (IRR). the Commission is mandated to promulgate rules and regulations, and perform regulatory functions appropriate and necessary in order to ensure the successful restructuring and modernization of the electric power industry;

WHEREAS, the Commission recognizes the necessity of establishing and clarifying the conditions and eligibility requirements for End-users to be part of the Contestable Market;

WHEREAS, in September, 2007, the draft Rules for Contestability was issued whereby the Commission conducted two public consultations for the adoption thereof;

WHEREAS, on November 7, 2007, the Commission sought additional comments from industry participants on the revised Rules for Contestability after the second public consultation;

WHEREAS, in accordance with the provisions of the EPIRA and after a careful consideration of the various views and comments submitted by interested parties, the Com-I mission deems it appropriate to adopt the Rules for Contestability;

NOW THEREFORE, the Commission, after a thorough and due deliberation, hereby RESOLVES, as it is hereby RESOLVED, to APPROVE and ADOPT, the "Rules for Contestability" herein attached as ANNEX "A"* and made an integral part of this Resolution.

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

Adopted; 23 Jan. 2008

(SGD.) RODOLFO B. ALBANO, JR
Chairman

(SGD.) RAUF A. TAN
Commissioner

(SGD.) ALEJANDRO Z. BARIN
Commissioner