

**[PPA MEMORANDUM CIRCULAR NO. 11-2007,
November 16, 2007]**

**REVISED RULES IN THE CONDUCT OF PUBLIC HEARING FOR
RATE INCREASES**

In order to ensure transparency and thorough deliberation during the conduct of public hearings for rate increases in cargo handling services or other port fees, encourage active participation of port users and other government agencies concerned as well as provide management with accurate reports and recommendation on the results, thereof, the following revised rules are hereby adopted:

I. Hearing Panel

1.1 A Hearing panel is hereby created which shall be composed of the Technical Assistants of the Members of the Board of Directors representing NEDA, DOTC, DTI, DOF, MARINA, DPWH, DENR and the Private Sector. The PPA may invite other agencies, as may be necessary.

1.2 In public hearings conducted outside Manila, the Technical Assistants of the Members of the Board of Directors (representing NEDA, DTI, DOF, MARINA, DPWH, DENR and the Private Sector) shall be represented by their local counterparts, where possible (per PPA MC No. 01-2005).

1.3 The Port Manager of the port where the application or request for rate increase has been filed shall act as the Moderator during the conduct of the public hearings. His office shall create the Secretariat who will be tasked to send out notices or invitations, record all deliberations of the hearings and prepare and certify the Minutes thereto. In the absence of the Port Manager, the Port Services Division Manager will act as the Moderator.

2. Application or Request for Rate Increase

2.1 The application for rate adjustments shall be submitted in 10 copies. Each application must present in matrix form and show separately the existing tariff, the desired or adjusted tariff applied for and the legal or other justifications for such application.

2.2 In the application for rate increase, the following shall be attached:

2.2.1 Request by Individual Service Provider

- Financial Statements to include Balance Sheet, Income Statement using appropriate chart of accounts in accordance with the

Philippine Financial Reporting System.

- Detailed computation of proposed rates;
- Photo copy of source documents, such as:
- Government-mandated wage adjustments as approved by the

Regional Tripartite on Wage and Productivity Board

- Increase in power cost
- Increase in fuel cost
- Exchange rate of the Philippine peso to the US dollar

(The above source documents shall include figures for the year the last increase was granted up to the present year where adjustment of rate is requested).

2.2.2 Request for Across the Board Increases

- Detailed Computation of the proposed rates;
- Photo copy of source documents such as:
 - Consumer Price Index (CPI)
 - Government-mandated wage adjustments as approved by the Regional Tripartite on Wage and Productivity Board
 - Increase in power cost
 - Increase in fuel cost
 - Exchange rate of the Philippine peso to the US dollar

(The above source documents shall include figures for the year the last increase was granted up to the present year where adjustment of rate is requested.)

3. Issuance of Notice of Invitations

3.1 No public hearing for rate increase shall be conducted without the proper Notice sent by the PMO Secretariat concerned at least ten (10) calendar days prior to the scheduled hearing. The Notice shall be accompanied by an agenda covering the subject matter of said public hearing together with a copy of the Application for Rate Increase or Adjustment duly certified by the Port District Manager or Port Manager concerned as complete.

3.2 Upon receipt of the application or request for rate increase, the Notice of Invitation shall be served by the PMO Secretariat on all affected sectors, such as the shipper's council, port users, stakeholders, relevant industry sectors and association, passenger groups, local government units, non-governmental units, and other interested parties. The PPA may invite other affected sectors not mentioned herein. The PMO Secretariat shall ensure that concerned port users, stakeholders, relevant industry