

[ **ERC RESOLUTION NO. 04, S. 2006, February 06, 2006** ]

**A RESOLUTION REQUIRING ALL REGULATED ENTITIES TO DESIGNATE A REGULATORY COMPLIANCE OFFICER (RCO)**

WHEREAS, Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA) and its Implementing Rules and Regulations (IRR) empowers the Energy Regulatory Commission (Commission) to issue rules and regulations in the exercise of its regulatory functions;

WHEREAS, Section 43 (I) of the EPIRA, authorizes the Commission to impose fines or penalties for non-compliance with or breach of the EPIRA, its IRR and the rules and regulations which the Commission promulgates or administers;

WHEREAS, it has been observed that non-compliance with the Commission's issuance results from the regulated entities' failure to monitor pertinent issuances of the Commission for their timely compliance;

WHEREAS, the Commission believes that such failure may be properly addressed with the designation by the regulated entities of an officer that will see to it that said entity complies with all the pertinent issuances of the Commission;

WHEREAS, on October 19, 2005, the Commission issued letters to the different distribution utilities directing them to submit their comments and insights on the Commission's proposed policy to require each DU to have a Compliance Officer;

WHEREAS, after due deliberation the Commission hereby RESOLVES, as it hereby RESOLVES to require all regulated entities to designate a Regulatory Compliance Officer (RCO) whose primary function shall be to ensure that the regulated entity complies with all the pertinent issuances of the ERC. Said RCO shall be a senior level officer within the entity but not the General Manager or the Chief Executive/Operating Officer.

Let copies of this resolution be furnished the Department of Energy (DOE), the National Electrification Administration (NEA), the Philippine Electric Plant Owners Association (PEPOA), the National Power Corporation (NPC), the National Transmission Corporation (TRANSCO), the Power Sector Assets and Liabilities Management (PSALM) Corporation, all distribution utilities, generation companies and retail electricity suppliers.

Finally, the name of the designated RCO shall be submitted to the ERC not later than February 28, 2006 or ten (10) days after such designation, whichever comes first.

This Resolution shall take effect immediately.

Adopted: 06 Feb. 2006.

(SGD.) RODOLFO B. ALBANO, JR.  
*Chairman*

(SGD.) OLIVER B. BUTALID  
*Commissioner*

(SGD.) JESUS N. ALCORDO  
*Commissioner*

(on official business) RAUF A. TAN  
*Commissioner*

(SGD.) ALEJANDRO Z. BARIN  
*Commissioner*

