

Received by Transco
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National Association of Electricity Consumers for Reforms
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June 14, 2005

DR. ALAN T. ORTIZ

President and CEO

National Transmission Company

Power Center, BIR Road corner Quezon Avenue

Diliman, Quezon City

Dear President Ortiz:

Warm greetings!

In your 6 June 2005 letter-reply to our letter dated 23 May 2005, you pointed out that *“the TDP is a subset of the Philippine Energy Plan (PEP). Consultation meetings are regularly conducted by the Department of Energy for the PEP. This gives the stakeholders and customers the opportunity to share their views with respect to the contents of the PEP. Currently, there is an ongoing public consultation sponsored by the Department of Energy, of which Transco is represented to support questions related to the TDP.”* We presume that this statement was your answer to our query on whether Transco, in the preparation of the TDP, has conducted consultation with participants of the electric power industry.

Clearly, on that basis, Transco admits that it did not hold consultations by itself in accordance with the provision of Section 9 (f) of EPIRA which provides that consultation must first be made by Transco with utilities and electricity end-users before the same is submitted to the DOE for integration with the PDP and PEP. And clearly, this is a violation as it appears from your answer that public consultations on the TDP were only conducted not by Transco but by the DOE after its integration with the PEP and Power Development Plan (PDP) of the DOE. We strongly believe that the intention of this provision is to hear the ideas, position and concerns not only of the DU’s representatives but of the electricity

end-users as well so that their position and concerns may possibly be incorporated before the TDP is finalized and approved by the DOE.

It is for this reason that we urge Transco to immediately comply with the procedure prescribed by Section 9 (f) so as to allow and ensure participation of electricity consumers in the discussion of the draft TDP.

We hope Transco will seriously consider our request. Thank you and God bless.

Very truly yours,

PETE L. ILAGAN

President

Cc: Secretary Raphael P.M. Lotilla, DOE
Chairman Rodolfo B. Albano, Jr., ERC
JCPC Members