

received Aug 9

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4860  
8/11/04  
PLA 4-1609  
FYI. Can we  
avail some funds  
from STF as to  
fund special projects?  
let's clarify this  
w/ M DOE  
LSM

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
San Miguel Avenue, Pasig City

**IN THE MATTER OF THE PETITION  
FOR THE AVAILMENTS FROM THE  
UNIVERSAL CHARGE THE SHARE  
FOR MISSIONARY  
ELECTRIFICATION**

**ERC CASE NO. 2002-165**

**NATIONAL POWER CORPORATION  
- SMALL POWER UTILITIES  
GROUP (NPC-SPUG),**

*Petitioner.*

X-----X

**D O C K E T E D**

Date: AUG 06 2004

By: clad

**ORDER**

For resolution is the "Motion for Clarification" filed on June 10, 2004 by the Power Sector Assets and Liabilities Management Corporation (PSALM) seeking clarification of the Commission's Decision in this case dated June 26, 2003 particularly on the following issues:

1. Whether PSALM should continue to disburse the Universal Charge-Missionary Component (UCMC) to petitioner National Power Corporation - Small Power Utilities Group (NPC-SPUG) in excess of the estimated levy/subsidy requirement of P1.34 Billion; and
2. Whether PSALM is authorized to disburse the corresponding interest income earnings of the respective Special Trust Funds (STFs) to the beneficiaries even without a subsequent order from the Commission.

Relative to said motion for clarification, NPC-SPUG filed its comment thereon on July 7, 2004.

As to the first issue, the Commission hereby clarifies that disbursement to NPC-SPUG should not exceed the amount of P1.34 Billion. Although the dispositive portion of the Decision is not specific as to such limitation, further scrutiny thereof would readily indicate that said amount was determined as NPC-SPUG's levy requirement. Moreover, the Decision should not be construed to have authorized the continuous release of UC-ME funds in excess of the amount of P1.34 Billion as alleged by NPC-SPUG as this would in effect render Sections 4(f) and 6(f) of Rule 18 of the

Implementing Rules and Regulations (IRR) of Republic Act No. 9136 inoperative. Said Sections provide that:

“Section 4. Procedures for Petitions Against the Universal Charge

x x x

(f) In case of over or under-recovery by beneficiaries, true-up adjustments shall follow the rules and regulations to be prescribed by the ERC, except as otherwise provided in this rules.”

“ x x x.”

“Section 6. Administration of the Universal Charge

x x x

(f) In the event that the total amount collected for the Universal Charge is greater than the actual availments against Universal Charge, the PSALM shall retain the balance within the STF to pay for periods where a shortfall occurs.”

As to the issue of the interest earnings of the respective Special Trust Funds (STFs), it is hereby clarified that the same should be considered as part of the STFs that may be used to fund the amount authorized to be disbursed to NPC-SPUG or as an excess amount to be retained with the STF if the required amount has already been disbursed.

SO ORDERED.

Pasig City, July 29, 2004.

  
RODOLFO B. ALBANO, JR.  
Chairman

  
OLIVER B. BUTALID  
Commissioner

  
JESUS N. ALCORDO  
Commissioner

**Copy furnished:**

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