

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

**IN THE MATTER OF THE
APPLICATION FOR
APPROVAL OF THE FEED-IN
TARIFF ALLOWANCE FOR
CALENDAR YEAR 2019
PURSUANT TO THE
GUIDELINES FOR THE
COLLECTION OF THE FEED-
IN TARIFF ALLOWANCE AND
DISBURSEMENT OF THE
FEED-IN TARIFF
ALLOWANCE FUND, WITH
PRAYER FOR PROVISIONAL
AUTHORITY**

ERC CASE NO. 2018-085 RC

**NATIONAL TRANSMISSION
CORPORATION (TRANSCO),
Applicant.**

x _____ x

O R D E R

Section 2.5 of the ERC Resolution No. 16, Series of 2010 (FIT Rules), provides that On-Grid Consumers who are supplied with electricity through the transmission or distribution network, shall share in the cost of the Feed-in Tariff, in part, through a uniform charge and applied to all billed kilowatt-hours, referred to as the Feed-in Tariff Allowance or the FIT-All.

On 28 January 2020, the Commission issued a Decision dated 18 October 2019 in ERC Case No. 2018-085 RC, setting the FIT-All at PhPo.0495/kWh. An average of PhP2 Billion is paid to FIT-eligible plants every month.

The FIT-All collected from all On-Grid Consumers shall be remitted to the FIT-All Fund established and administered by the Administrator as Trustor, which collections shall be kept by a government financial institution designated as the Trustee of the FIT-All Fund, for the sole and exclusive benefit of the Eligible RE Plants as Beneficiaries, except in respect of the Administration Allowance and Disbursement Allowance.

In light of the COVID-19 situation, and given the proclamation by the government of a State of National Health Emergency in the country and Enhanced Community Quarantine in Luzon, there is a need to mitigate the economic condition of Filipino consumers, many of whom have been terminated from employment, imposed a forced unpaid leave, or imposed reduced working hours.

The Commission takes note that as of 05 March 2020, the FIT-All Fund has a remaining balance of PhP10,368,104,608.02, which is more than enough to cover between three to four months of obligations to FIT-eligible Plants. It is thus, determined that the financial condition of the FIT-All Fund is healthy, and that sufficient funds are available to settle the FIT obligations in the coming three to four months, even if the collection of the FIT-All was to be suspended for the next billing cycle.

In view of the foregoing, the Commission hereby **DIRECTS** the following:

1. Collection of the FIT-All charge is **SUSPENDED** for one (1) month, beginning the next billing cycle;
2. The **Philippine Electricity Market Corporation (PEMC)**, and host **Distribution Utilities in Mindanao** shall continue collecting and remitting the Actual Cost Recovery Revenue; and
3. The **National Transmission Corporation (TransCo)** shall continue paying the FIT obligations to FIT-eligible plants.

SO ORDERED.

Pasig City, 17 March 2020.


AGNES VSI DEVANADERA
Chairperson and CEO


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Commissioner


ALEXIS M. LUMBATAN
Commissioner


CATHERINE P. MACEDA
Commissioner


PAUL CHRISTIAN M. CERVANTES
Commissioner

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