



Republic of the Philippines
Department of Environment and Natural Resources
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30 June 2006

Mr. PAUL A. AQUINO
President and CEO

Mr. BENJAMIN LIM
Vice President - Planning and Control

Philippine National Oil Company - Energy Development Corporation
Energy Center, Merritt Road, Fort Bonifacio
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Subject: Name of Project Activity: 20MW Nasulo Geothermal Project
Philippine Project Participant: PNOC-Energy Development Corporation
Location of the Project Activity: Nasuji Area-SNGPF, Valencia, Negros Oriental
Sectoral Scope: Energy Industries (renewable sources)
Scale and Size: CDM Project Activity Not Considered Small Scale, 20MW geothermal power plant and switching station at Nasuji Area to interconnect with Transco's 138 kV transmission lines
Estimated CERs: Annual average of 81,009 tCO₂e for the first 7-yr crediting period


Dear Mr. Aquino and Mr. Lim,

As the Designated National Authority for Clean Development Mechanism in the Philippines and in line with the Rules and Regulations Governing the National CDM Approval Process set in DAO 2005-17, I am pleased to inform you that the aforementioned proposed activity meets the national approval criteria. The Authority hereby confirms that:

- 1) the Philippines ratified the Kyoto Protocol on 20 November 2003,
- 2) the voluntary participation of the Philippine National Oil Company – Energy Development Corporation (PNOC-EDC) in the proposed CDM project activity is authorized, and
- 3) based on the representations made in the Project Design Document, as supplemented by the Sustainable Development Benefits Description, Proof of Legal Capacity and other supporting documents, the implementation of the proposed CDM project activity will assist the Philippines in achieving sustainable development.

Please note that the issuance of this Letter of Approval shall not exempt the PNOC-EDC from complying with applicable laws, rules and regulations of the Philippines. Regular updates shall also be provided to the Authority, through the Environmental Management Bureau acting as the CDM Secretariat, on the status of implementation of your CDM project activity.

Very truly yours,


ANGELO T. REYES
DENR Secretary

