



Advancing Renewable Energy through a
Technology-Enabled
COMPETITIVE SELECTION PROCESS

DIVINA B. CHINGCUANCO

Chief of Party
USAID Energy Secure Philippines





GOAL:

Enhance energy reliability & security given a unified power system



OBJECTIVES:

Improving electric utility performance

Increasing deployment of advanced energy sources and systems

Enhancing competition in the power sector



500 MW

Additional Generation Capacity

\$750 M

Private sector engagement

\$7.5 M

Grants Under Contract

RESOLUTION NO. 13, SERIES OF 2015

A RESOLUTION DIRECTING ALL DISTRIBUTION UTILITIES (DUs) TO CONDUCT A COMPETITIVE SELECTION PROCESS (CSP) IN THE PROCUREMENT OF THEIR SUPPLY TO THE CAPTIVE MARKET

WHEREAS, under Section 45 (b) of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA) and Rule 11, Section 5 of its Implementing Rules and Regulations (IRR) the Energy Regulatory Commission (ERC) is mandated to review the bilateral power supply contracts entered into by distribution utilities (DUs) whose markets have not reached household demand level;

WHEREAS, under Section 25 of the EPIRA and Rule 5, Section 4 (e) of its IRR, the ERC is mandated to regulate the retail rates charged by DUs for the supply of electricity to their captive market based on the principle of full recovery of prudent and reasonable economic costs incurred, or such other principles that will promote efficiency as may be determined by the ERC;

WHEREAS, on February 19, 2013, the ERC issued a Notice in ERC Case No. 2013-005 RM, entitled "*In the Matter of the Promulgation of the Rules Governing the Execution, Review and Evaluation of Power Supply Agreements Entered Into by Distribution Utilities for the Supply of Electricity to their Captive Market*" (PSA Rules), which was posted on the ERC's website, directing all interested parties to submit their respective comments on the first draft of the PSA Rules, not later than March 22, 2013;

WHEREAS, on various dates, the ERC received comments on the first draft of the PSA Rules from interested parties, namely: a) Cagayan Electric Power and Light Co., Inc. (CEPALCO); b) Visayan Electric Company, Inc. (VECO); c) Quezon Power (Philippines) Ltd. Co., (QPL); d) Power Source Philippines, Inc. (PSP); e) National Grid Corporation of the Philippines (NGCP); f) Philippine Independent Power Producers Association, Inc. (PIPPA); g) Next Power Consortium, Inc.; h) SN Aboitiz Power Group (SNAP); i) Aboitiz Power Corporation (APC); j) Philippine



ADVISORY

TO : ALL DISTRIBUTION UTILITIES
NATIONAL ELECTRIFICATION ADMINISTRATION
ENERGY REGULATORY COMMISSION

FROM : SECRETARY RAPHAEL P. M. LOTILLA

SUBJECT : PROVIDING CLARIFICATION ON THE IMPLEMENTATION OF COMPETITIVE SELECTION PROCESS PRESCRIBED UNDER DEPARTMENT CIRCULAR NO. DC2018-02-0003, AS AMENDED AND SUPPLEMENTED BY DEPARTMENT CIRCULAR NO. DC2021-09-0030

DATE : 22 September 2022

To clarify the implementation of Section 8 of Department of Energy (DOE) Department Circular (DC) No. DC2018-02-0003¹, as amended and supplemented in Section 7 of DC No. DC2021-09-0030² (CSP Policy), and in consideration of the powers and functions of the DOE and the Energy Regulatory Commission (ERC) under Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001", the DOE hereby issues this Advisory to guide all Distribution Utilities (DUs) in the conduct of Competitive Selection Process (CSP) for the procurement of their power supply for their captive customers.

1. In line with Section 8.2 of DC2021-09-0030, the DOE, the National Electrification Administration (NEA) and all DUs shall have the following responsibilities:

- 1.1. All DUs, through their Third-Party Bids and Awards Committee (TPBAC), Joint TPBAC, and Third-Party Auctioneer, shall prepare the Terms of Reference (TOR), among others, for the conduct of CSP in procuring their power supply requirements. The NEA shall continue to guide and assist the Electric Cooperatives (ECs) in complying with this Advisory and the CSP Policy.

¹ Titled, "Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market"

² Titled, "Amending Certain Provisions of and Supplementing Department Circular No. DC2018-02-0003 on the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market"





Republic of the Philippines
DEPARTMENT OF ENERGY
 (Kagawaran ng Enerhiya)

ADVISORY

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 NATIONAL ELECTRIFICATION ADMINISTRATION
 ENERGY REGULATORY COMMISSION

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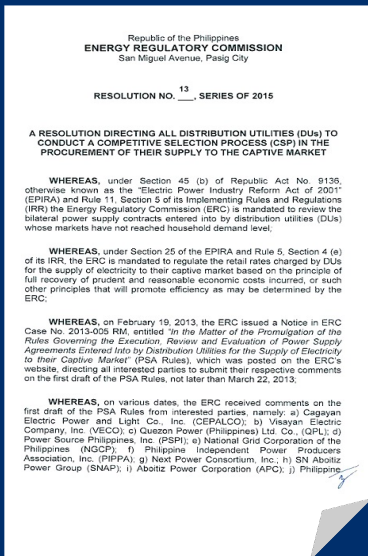
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Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila, Philippines 1632
 Trunkline (832) 8475-2900
 Website: www.doe.gov.ph E-mail: info@doe.gov.ph



Providing Clarification on the Implementation of Competitive Selection Process





A Resolution Directing All Distribution to Conduct a Competitive Selection Process in the Procurement of their Supply to the Captive Market



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

RESOLUTION NO. 13, SERIES OF 2015

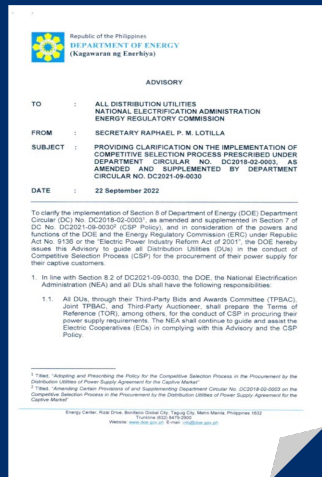
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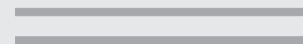
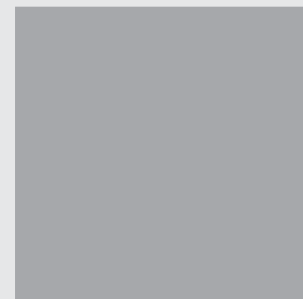


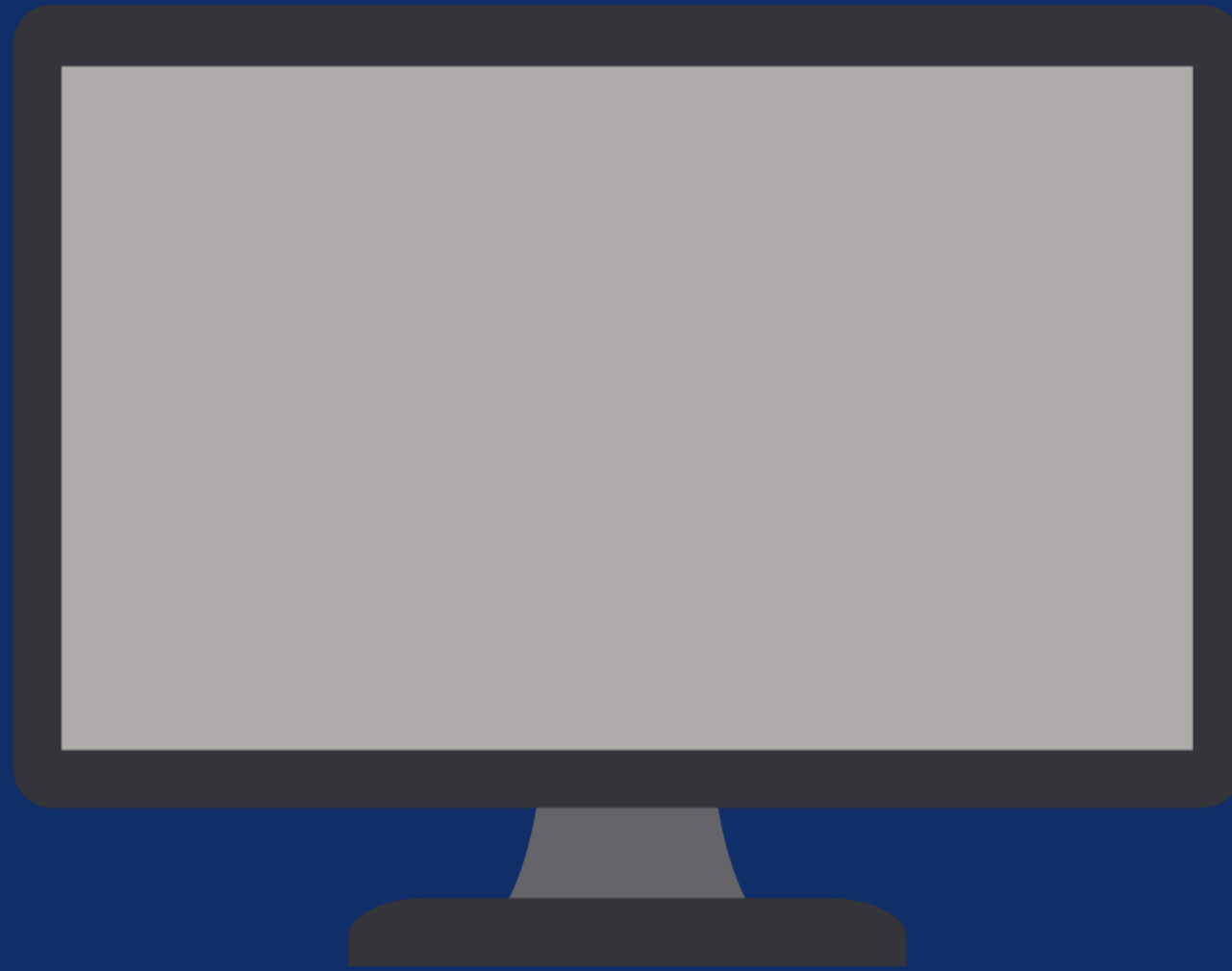


BusinessMirror



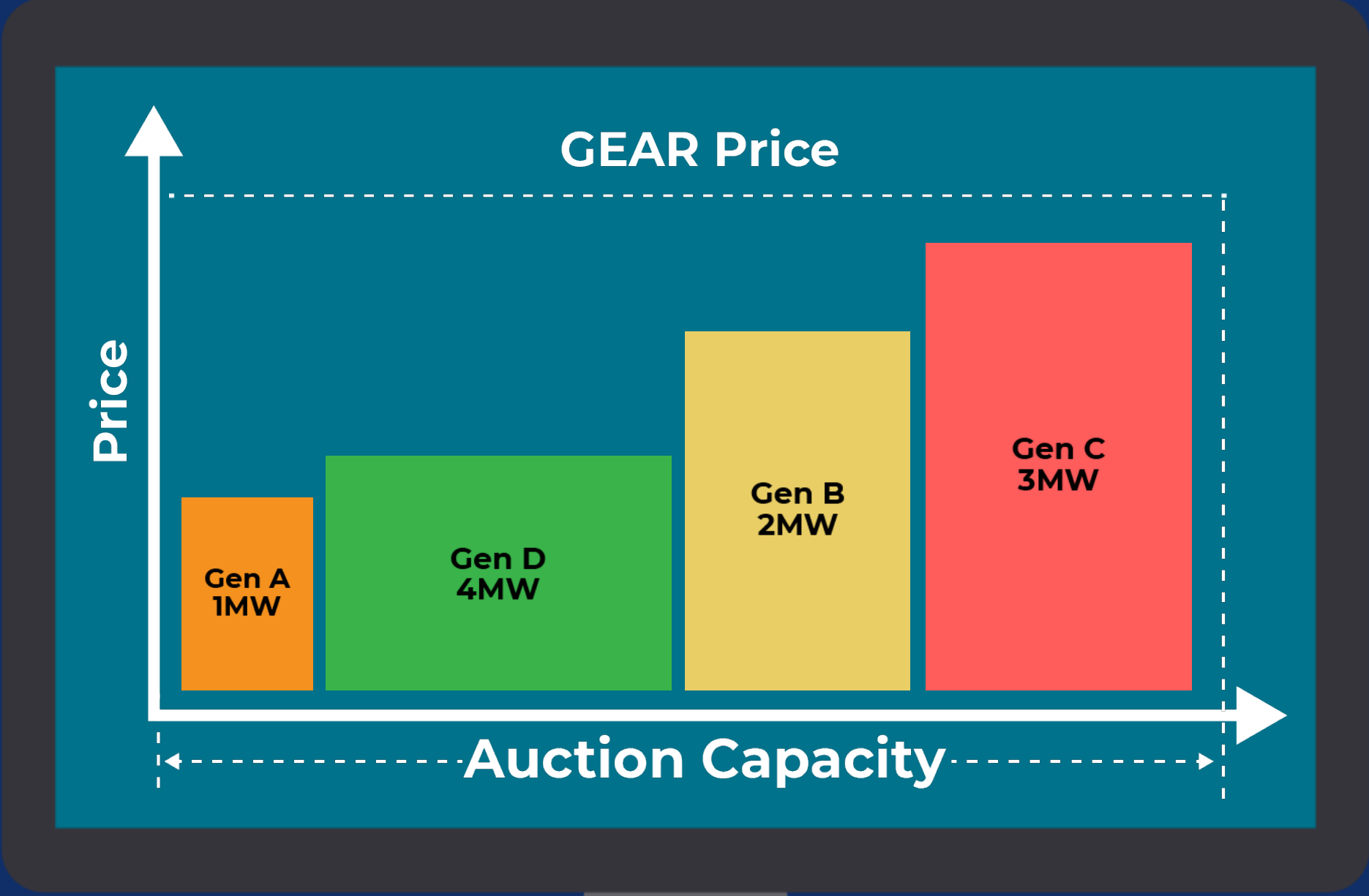
Supreme Court orders competitive selection process on all power supply agreements on or after June 30, 2015







GREEN ENERGY AUCTION PROGRAM (GEAP)



GEAR Price

Price

Gen A
1MW

Gen D
4MW

Gen B
2MW

Gen C
3MW

Auction Capacity

GEAP 1 2022



1866 MW
RE Capacity



\$ 2 Billion
Private Investments



GEAP 2 2023



11.6 GW
RE Capacity

DEPARTMENT OF ENERGY
(Katawan ng Enerhiya)

BID BULLETIN NO. 1 FOR GREEN ENERGY AUCTION (GEA) - 2

1. SCHEDULE OF PRE-BID EVALUATION

- 1.1. The GEA-BEAC, through its Technical Working Group (TWG), shall begin the evaluation of the registration documents on **15 May 2023** and complete the same by **17 May 2023**.
- 1.2. Beginning on 18 May 2023 until 19 May 2023, the GEA-BEAC shall notify in writing the potential Suppliers who failed to comply with the registration requirements stating therein the grounds for disqualification. Within two (2) calendar days from receipt of the notice, the disqualified Supplier may file a Request for Reconsideration (RR) to the GEA-BEAC. The GEA-BEAC shall resolve the RR prior to the posting of the Qualified Bidders on the DOE website.

2. AUCTION PROCEEDINGS

- 2.1. Clause 5.1 of the Terms of Reference (TOR) of the Green Energy Auction - 2 (GEA-2) is hereby modified as follows:

"The auction has three (3) stages corresponding to the annual generation targets. Qualified Bidders shall place and enter their bids for each RE technology with corresponding delivery dates within the successive **forty-five (45)-minute** periods allotted for each installation per target year, x x x."

Bid Bulletin forms part of the TOR of the GEA-2. All other terms and conditions contrary to or are not otherwise amended or modified by this Bid Bulletin shall be effective.

April 2023.

and posting:

For Green Energy Auction

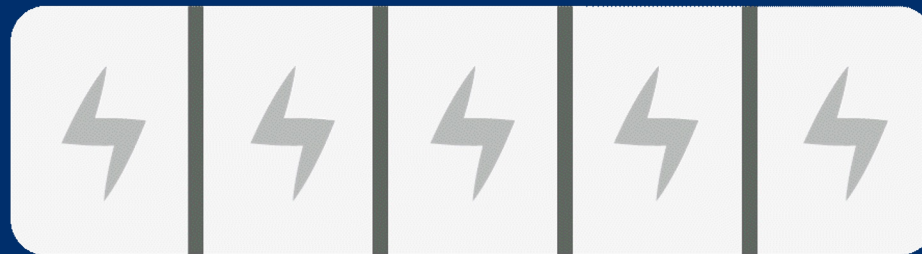
DOE: Increase in RE utilization to generate Php270B investments

POWER PHILIPPINES NEWS on September 29, 2022 at 11:36 am



Around Php270.8 billion worth of renewable energy (RE) investments is expected in the country as the Department of Energy (DOE) has increased the utilization of RE for on-grid areas under the Renewable Portfolio Standards (RPS) from one percent to 2.52%

Renewable Portfolio Standards (RPS) Target



SMART BUYER TOOLKIT



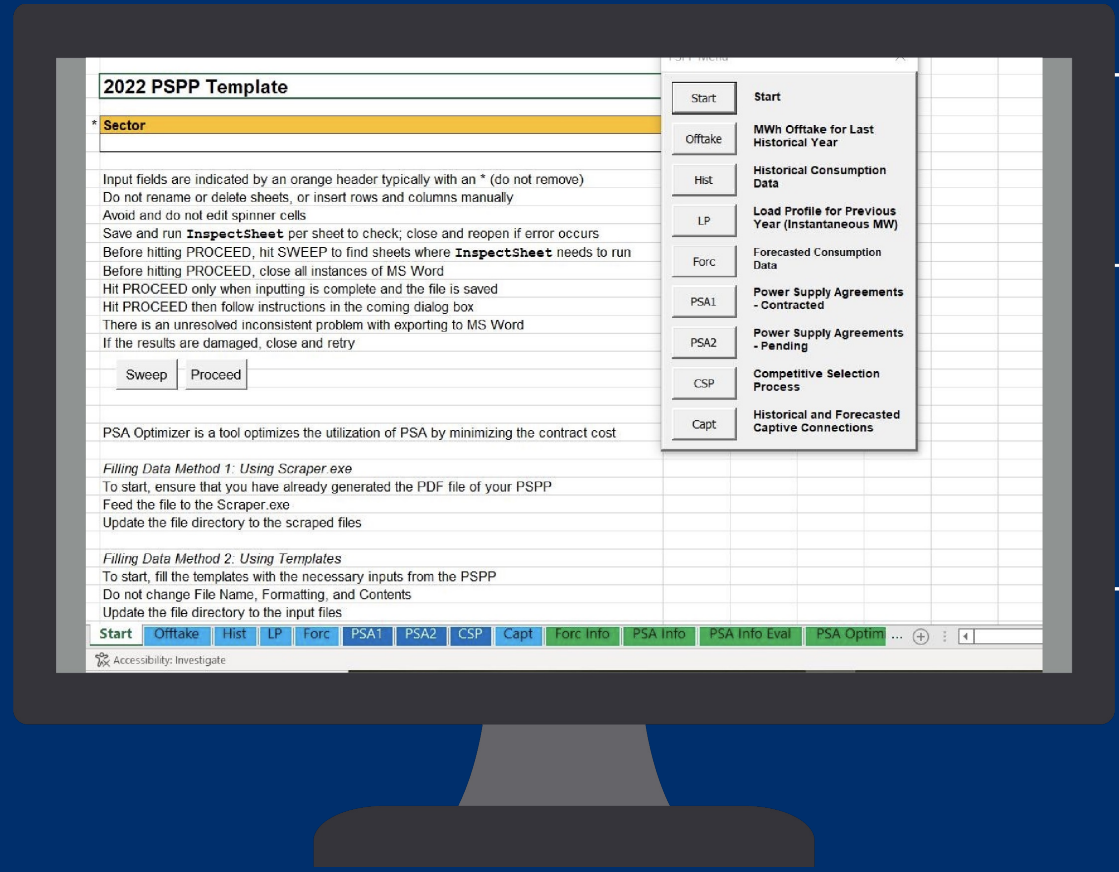
Historical Demand



Power Supply Contract Parameters



Contract Price Range



Forecasted Demand



Reportorial Requirements



Optimized Contracts





COMPETITIVE RETAIL ELECTRICITY MARKET

System Monitoring Platform

Digitize the registration and report submission processes



Monitor the compliance of the Retail Electricity Suppliers (RESs) through a user-friendly dashboard



Competitive Retail Electricity Market System Monitoring Platform

Welcome

User ID

.....

Login [Forgot Password?](#)

Assist the retail market participants to comply with ERC-approved procedures



Feature a RES Scorecard for consumers to rate respective suppliers' performance



RETAIL ELECTRICITY SUPPLIER (RES) SCORECARD

The screenshot shows a web browser displaying the 'RES SCORECARD' page. The page has a white header with the ERC logo and navigation links. The main content area has a blue background with two columns: 'RES Scores' and 'Compare RES'. The 'Compare RES' column contains a white form titled 'Are you a contestable customer?' with input fields for email, name, and current RES, and two checkboxes for consent.

ERC HOME ABOUT CONTACT US ADMIN

Republic of the Philippines
ENERGY REGULATORY COMMISSION
RES SCORECARD

As of Dec. 30, 2022
Competitive Retail Electricity Market (CREM)
No. of RES 44 No. of Local RES 28 No. of SOLR 47
Total Contestable Customers 3072

[RES Scores](#) [Compare RES](#)

Are you a contestable customer?

End-users which have monthly average peak demand for the past 12 months of at least 500kW shall be qualified to become part of the contestable market as contestable customers.

If you qualify to become a contestable customer or if you are already registered as a contestable customer, you may participate in this scorecard by entering your email address, full name, and current RES below.

Enter your email address

Enter your full name or company name

Current RES

I understand that any information given by me in the survey may be used in future reports and presentations.

I understand that my personal data, which links me to this link, will be kept in accordance with data protection guidelines and full out process.