

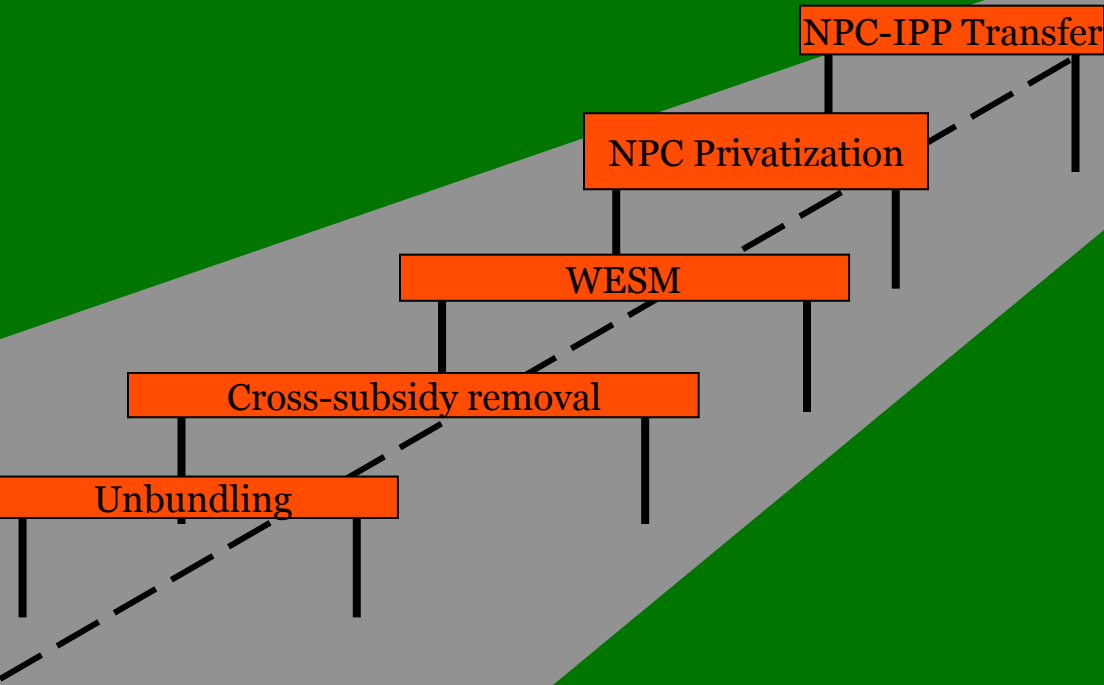
RETAIL COMPETITION AND OPEN ACCESS (RCOA)

Debora Anastacia T. Layugan
Energy Regulatory Commission
Continuing Regulatory Education for the Stakeholders
for Visayas Journalists
8 September 2016

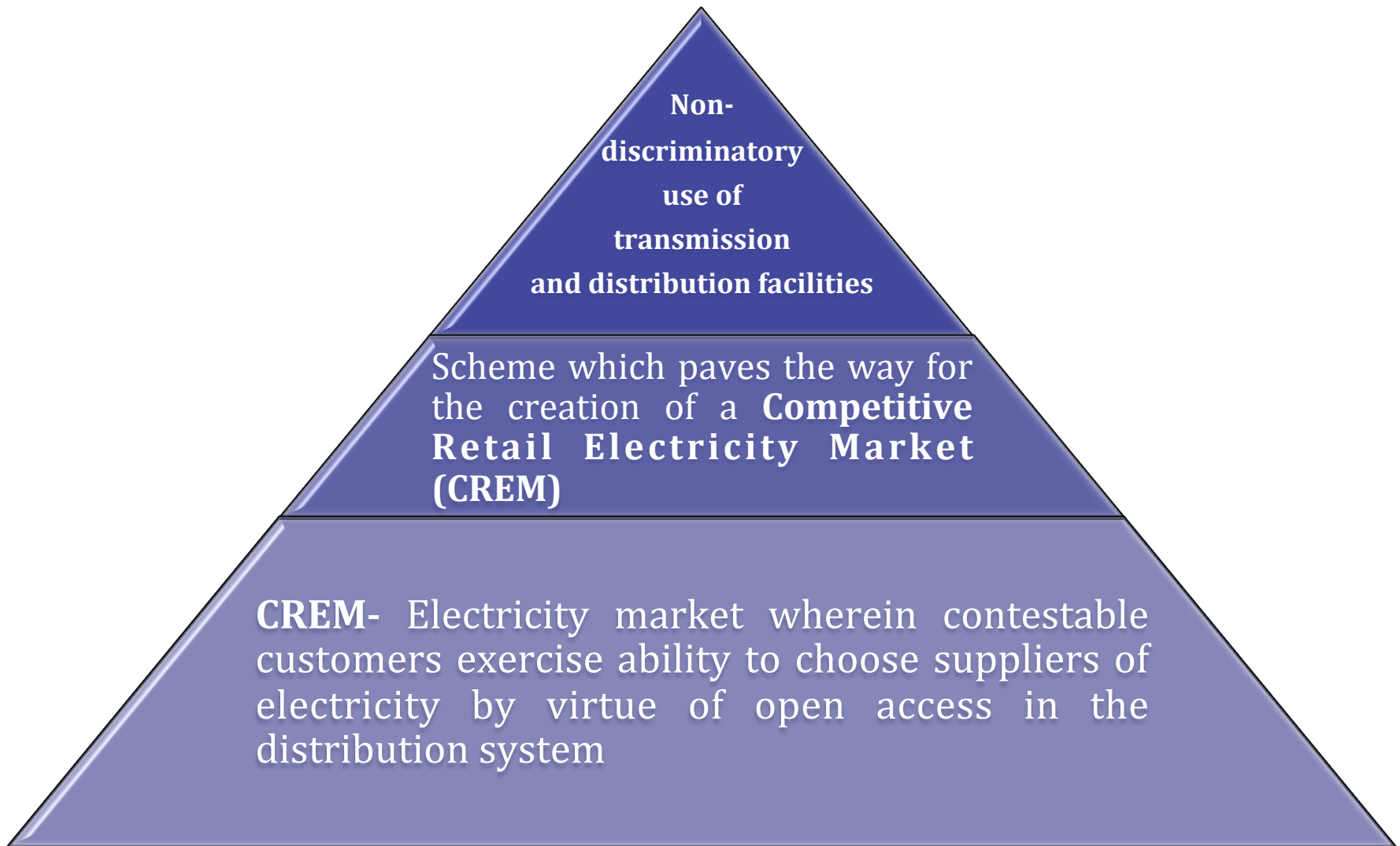
THE INDUSTRY TODAY



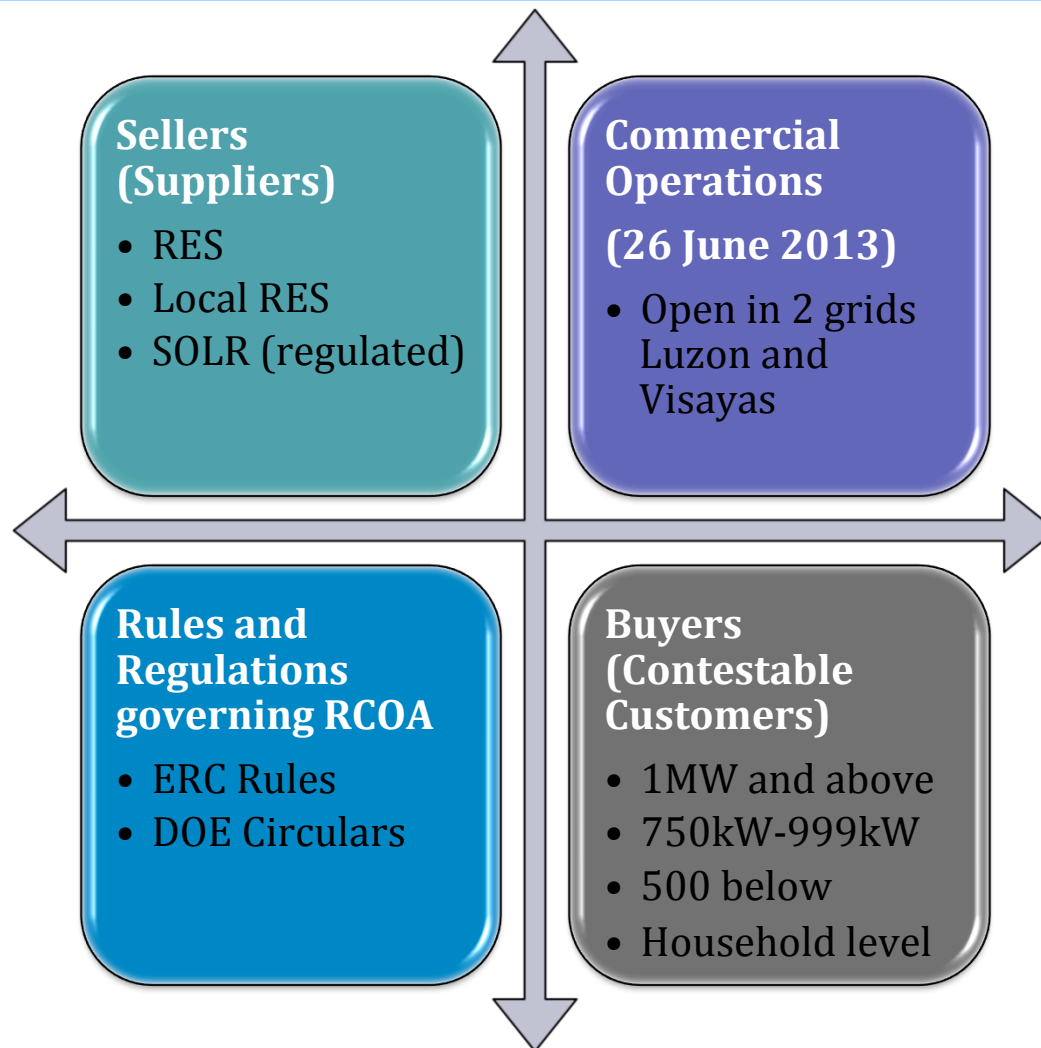
**Retail
Competition
and Open
Access**



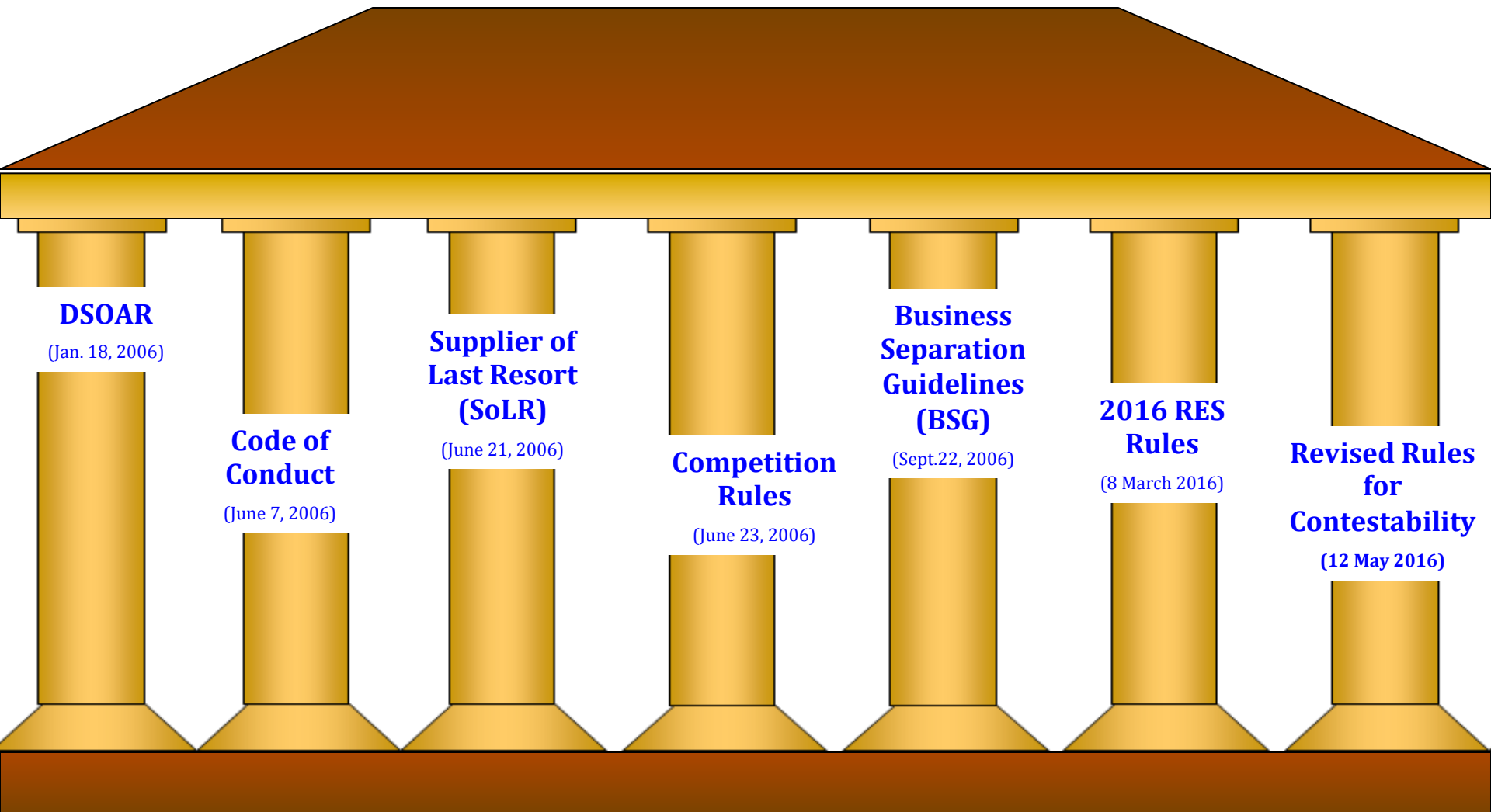
WHAT IS RCOA?



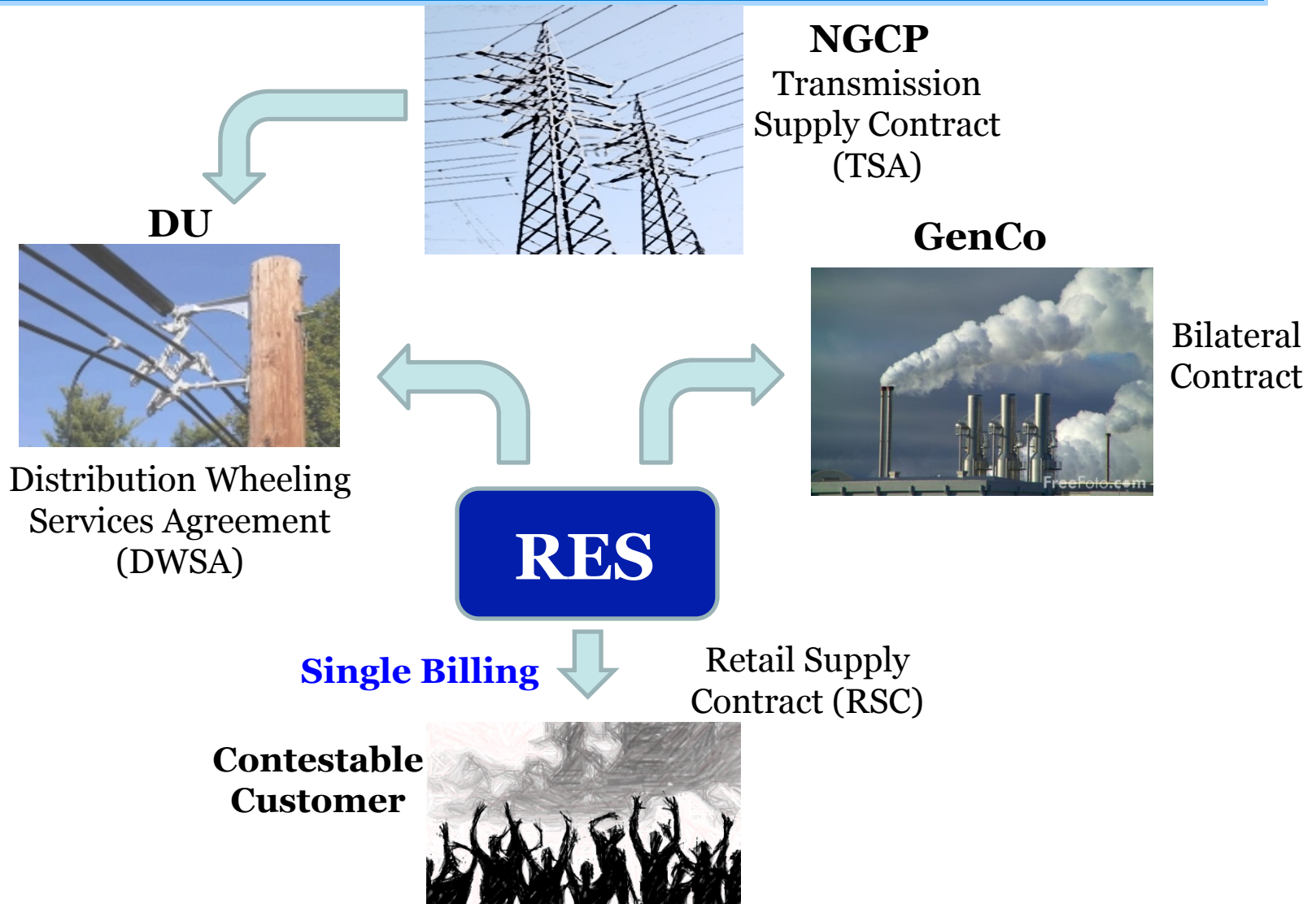
RCOA SET-UP



7 PILLARS OF ERC



BILLING ARRANGEMENTS



EXPECTED OUTCOME

Competitive rates

Entrance of new industry players

Flexible contract terms

Strong competition among players

Better Supplier service

Innovation of additional service

RECENT RCOA RULES

RES Licensing

Revised Rules
for
Contestability

Restrictions on
CREM
Operations

LICENSING RULES



An affiliate of a DU allowed to become RES

- Subject to the restrictions on market share limits and conduct of business activities



Exemption allowed depending on actual operations



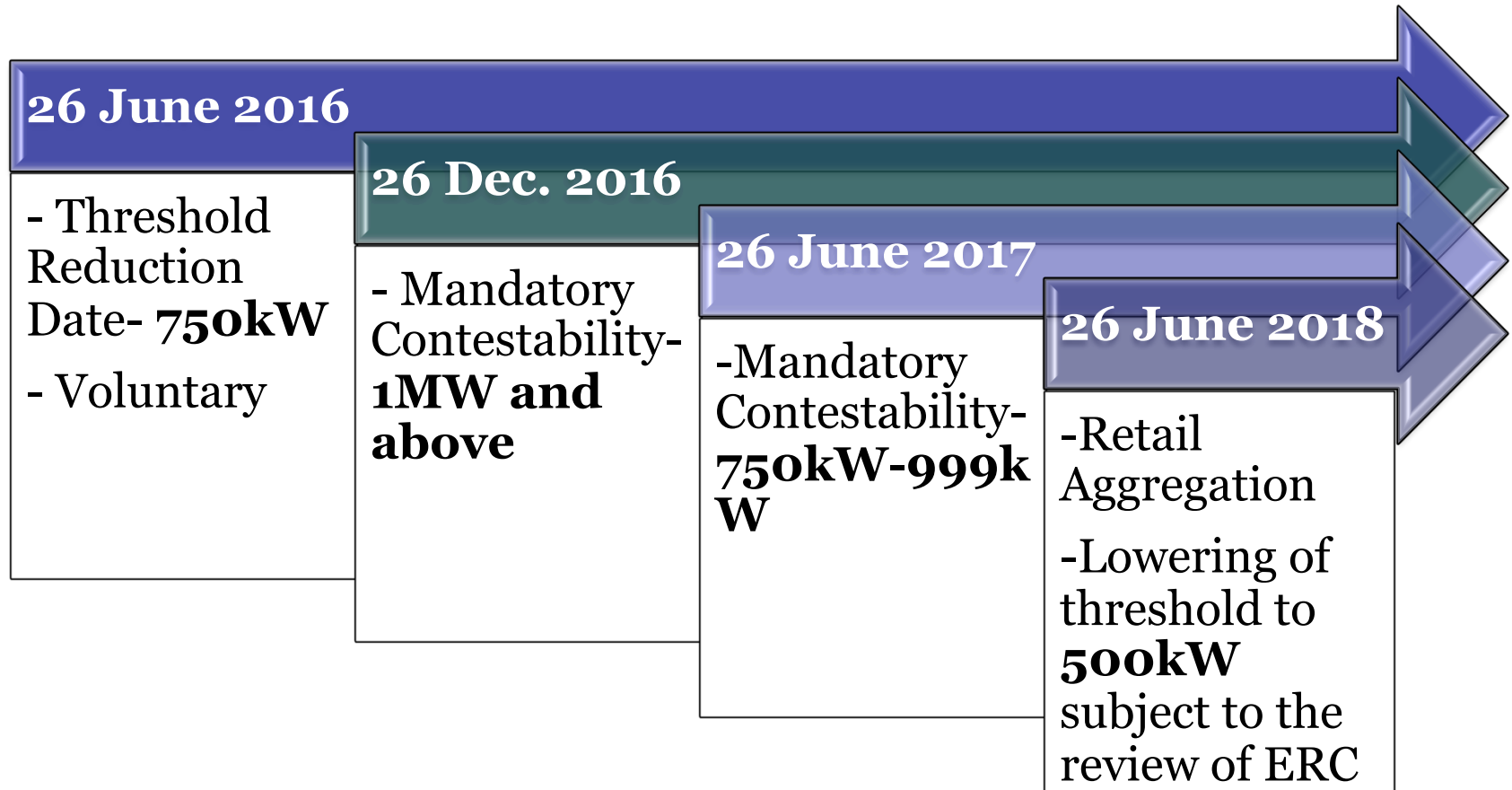
Additional Requirements

- Unused cash resources of PhP10M
- Min. Quick Ratio of 1.5x
- Program to Comply performing below Quick Ratio
- Website reflecting average prices and value-added service
- General Information Sheet



Lifted suspension of evaluation of RES license

RCOA TIMELINE



RESTRICTIONS

Prohibition of DU as supplier unless SOLR

Discontinuance of Local RES

- 3-year winding down period
- Existing Retail Supply Contracts (RSC) remain valid within winding down period
- No new RSC after effectivity of Resolution
- No renewal of RSC after effectivity of Resolution.

30% limit on the total average monthly peak demand of all contestable customers of RES supply

50% limit on the total energy transactions of affiliate contestable customer

- 2-year compliance period

18 months for ERC to review applicability of restrictions



Retail Supply Contract (RSC)

- Minimum term: 1 billing cycle
- Maximum term: 2 years



Prospective GenCo

- Secure provisional license from ERC
- Contract with contestable customer allowed
- Compliant with mandatory contestability
- Exercised once for limited period of time
- DU to continue to supply power to contestable customer while power plant is under construction.
- TOU Rate or Peak/Off-Peak Rate approved by ERC

RES (AS OF SEPTEMBER 2016)

Aboitiz Energy Solutions, Inc.

AdventEnergy, Inc.

DirectPower Services, Inc.

Ecozone Power Management, Inc.

Ferro Energy, Inc.

Global Energy Supply Corporation

GNPower Ltd. Co.

Kratos RES Inc.

Masinloc Power Partners Co., Ltd.

Premier Energy Resources Corp.

PRISM Energy Inc.

San Miguel Electric Corp.

Team (Phils.) Energy Corp.

Trans-Asia Oil & Energy Dev. Corp.

SN Aboitiz Power-RES, Inc.

First Gen Energy Solutions

Manta Energy, Inc.

Millennium Power RES Inc.

FDC Retail Electricity Sales Corp.

SMC Consolidated Power Corporation

Corenergy, Inc.

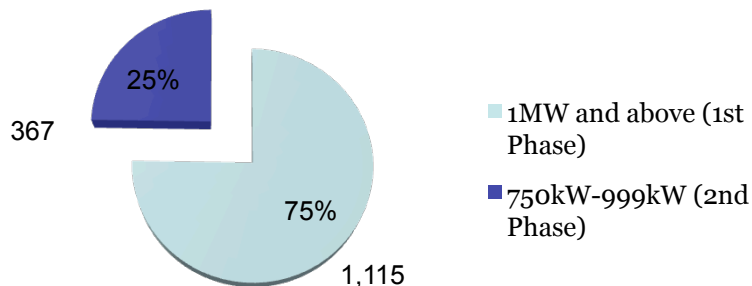
AC Energy Holdings, Inc.

STATISTICS (AS OF JUNE 2016)

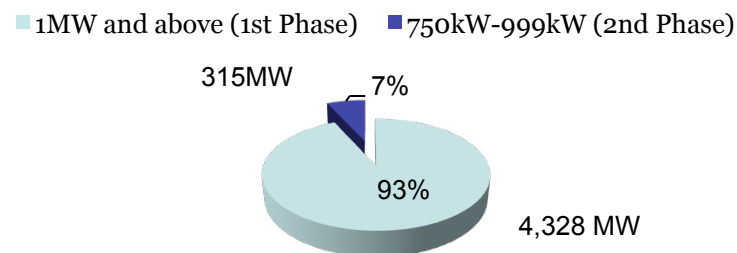
Number of Contestable Customers

With Retail Supply Contracts (RSC)	390
Without RSC	725

Number of Qualified Contestable Customers



Demand of Qualified Contestable Customers



Total System Peak Demand

11,463

Total Demand of 1MW and above

37.76%

Retail Electricity Supplier (RES) - 22 (as of September)
 Local RES - 24
 Supplier of Last Resort (SOLR) - 42

Thank you.
