

LUZON POWER SUPPLY OUTLOOK

Mark Christian P. Marollano, REE

OIC-Section Head / Senior SRS, EPIMB-PPDD
Department of Energy

MERALCO Interruptible Load Program (ILP) Webinar
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Power Sector Overview



Energy Agencies



**Department of Energy
(DOE)**

- Supervise the restructuring of the industry
- Establish the Wholesale Electricity Spot Market (WESM)
- Energy Policy and Planning
- Consumer Education



**Power Sector Assets and
Liabilities Management
Corporation (PSALM)**

- Manage NPC assets and liabilities and transmission company pending privatization
- Manage NPC Privatization process
- Assume NPC debt and IPP Contracts
- Administer Universal Charge



**Energy Regulatory
Commission (ERC)**

- Independent, quasi-judicial regulatory body
- Promote competition
- Ensure customer choice
- Penalize abuse of market



**National Transmission
Corporation (TRANSCO)**

- Prior to National Grid Corporation of the Philippines (NGCP) as Concessionaire,
- assumed the transmission function of NPC
- acted as the System Operator of the nationwide electrical transmission and sub-transmission system, transferred to it by NPC
- FIT-All Fund Administration



**National Power
Corporation (NPC)**

- Continue to generate and sell electricity from undisposed generating assets and IPP contracts of PSALM;
- Perform Missionary Electrification



**National Electrification
Administration (NEA)**

- Prepare ECs to operate in a competitive market;
- Review and upgrade regulatory policies to enhance viability of electric cooperatives



Energy Corporations



National Grid Corporation of the Philippines (NGCP)

- System Operator and Transmission Network Provider



Philippine Electricity Market Corporation (PEMC)

- Governs the Wholesale Electricity Spot Market (WESM)



Independent Electricity Market Operator of the Philippines (IEMOP)

- Market Operator

Distribution Utilities

- Private Investor-Owned Utilities



- Electric Cooperatives



Generation Companies



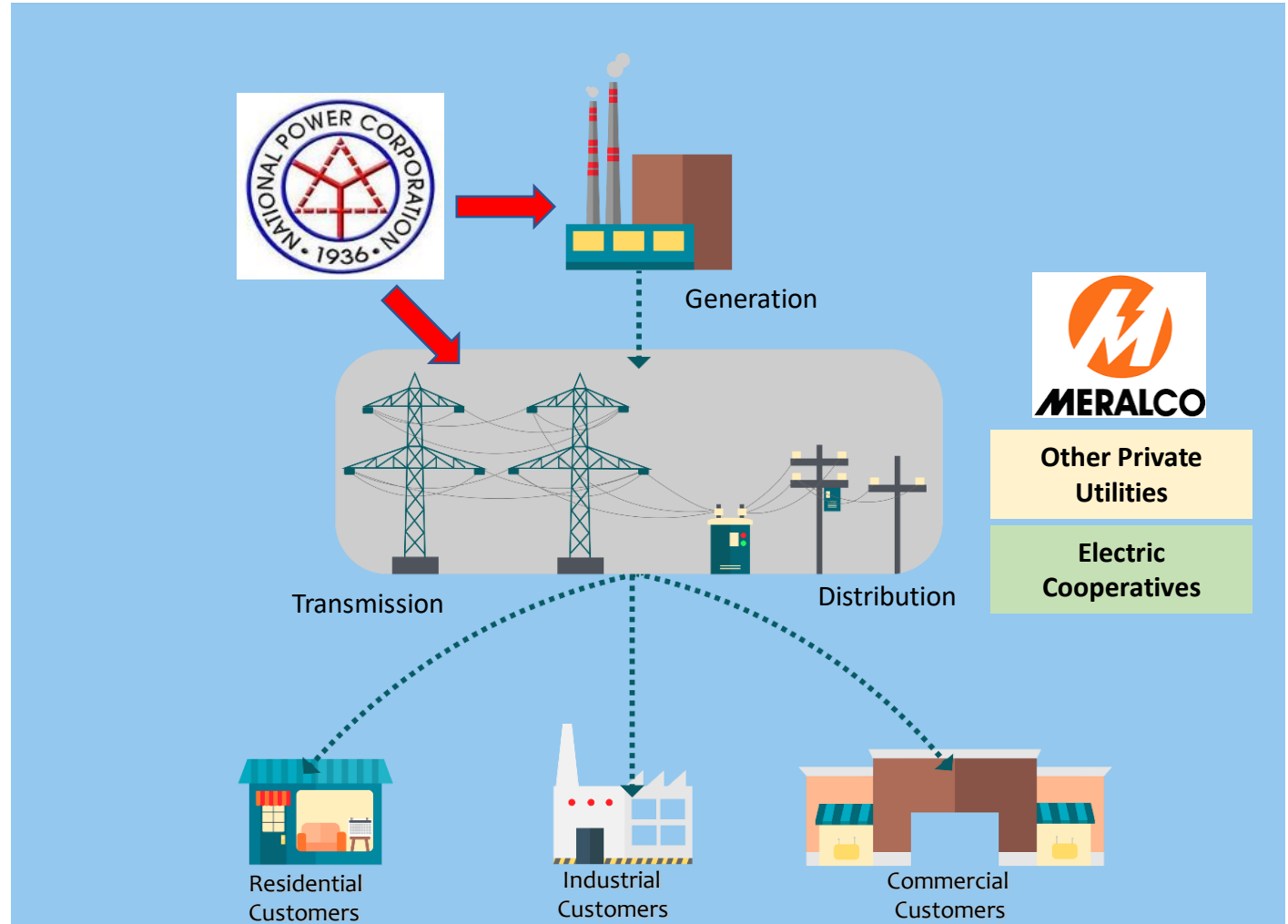
SAN MIGUEL ELECTRIC CORP.



Power Sector Industry in a Glance

Pre-EPIRA

- **Vertically Integrated**
- **Single wholesale provider**
- **Regulated distribution and supply by DUs**
- **Bundled costs**
- **Regulated Tariffs**

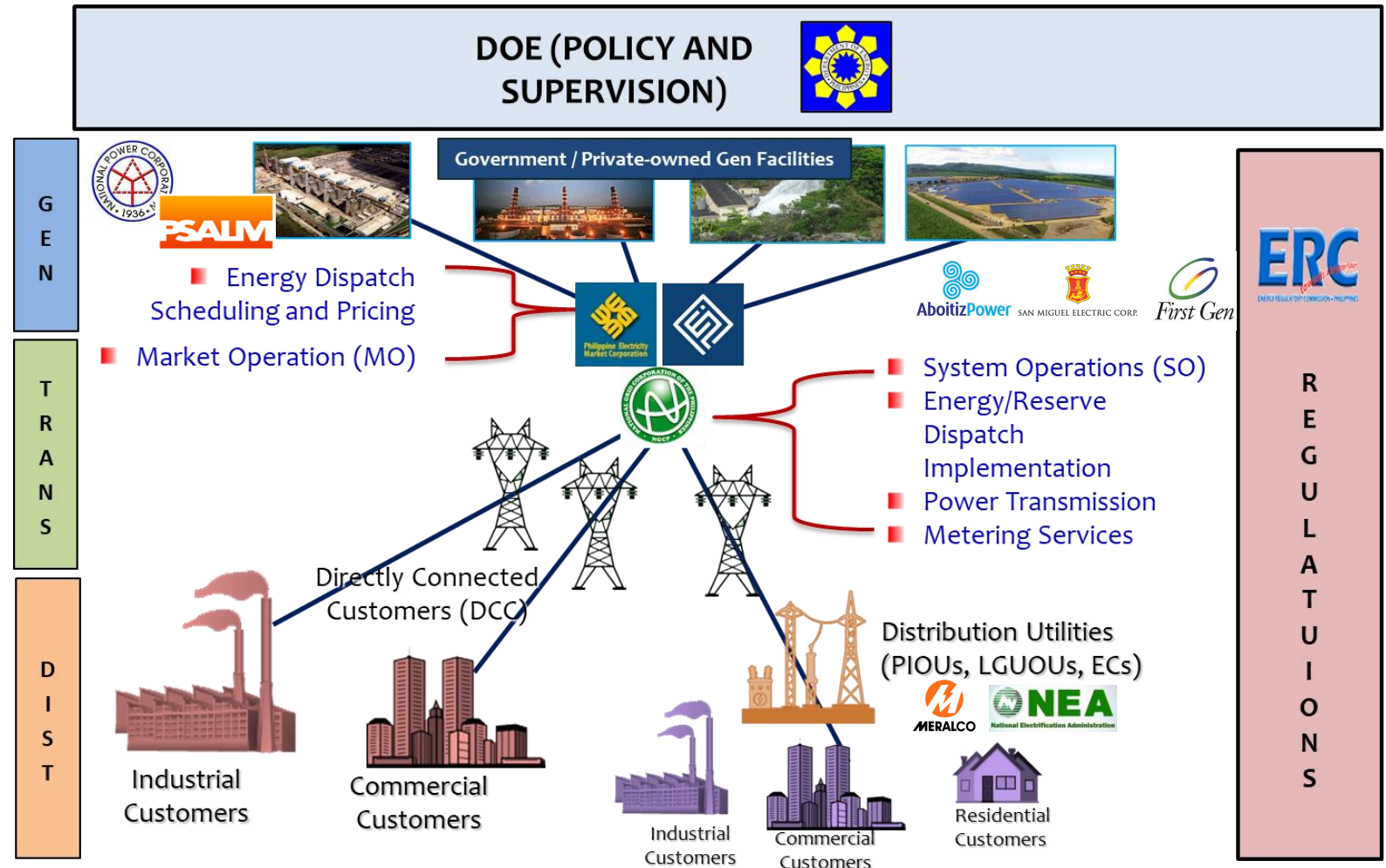


Power Sector Industry in a Glance

EPIRA

- Competitive Generation and Supply
- Regulated Distribution and Transmission
- Liberalization of Power Industry
- Unbundled costs
- Fairness and Transparency
- Establishment of WESM

Power Sector Institutional Framework

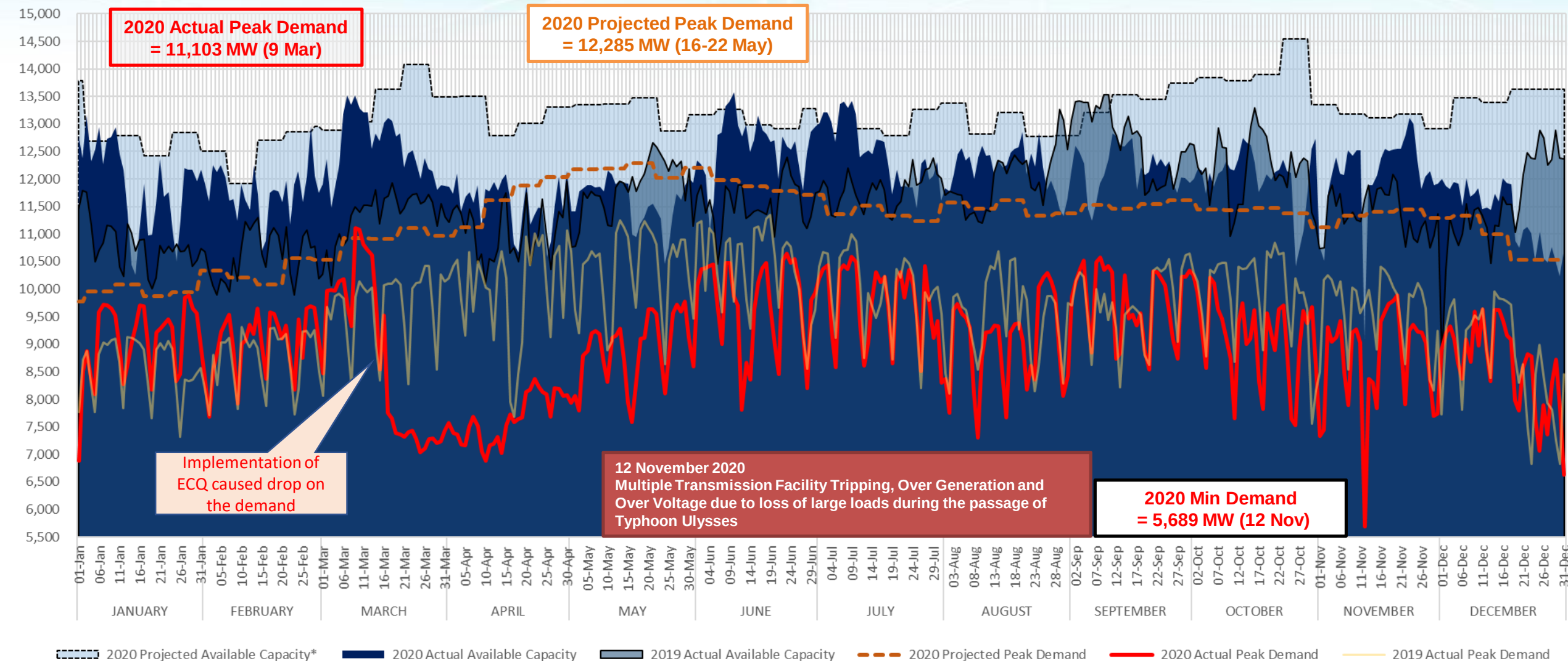


Luzon Power Supply and Demand Outlook



2020 LUZON Actual Power Outlook

Yellow Alert
16 January 2020
04 June 2020

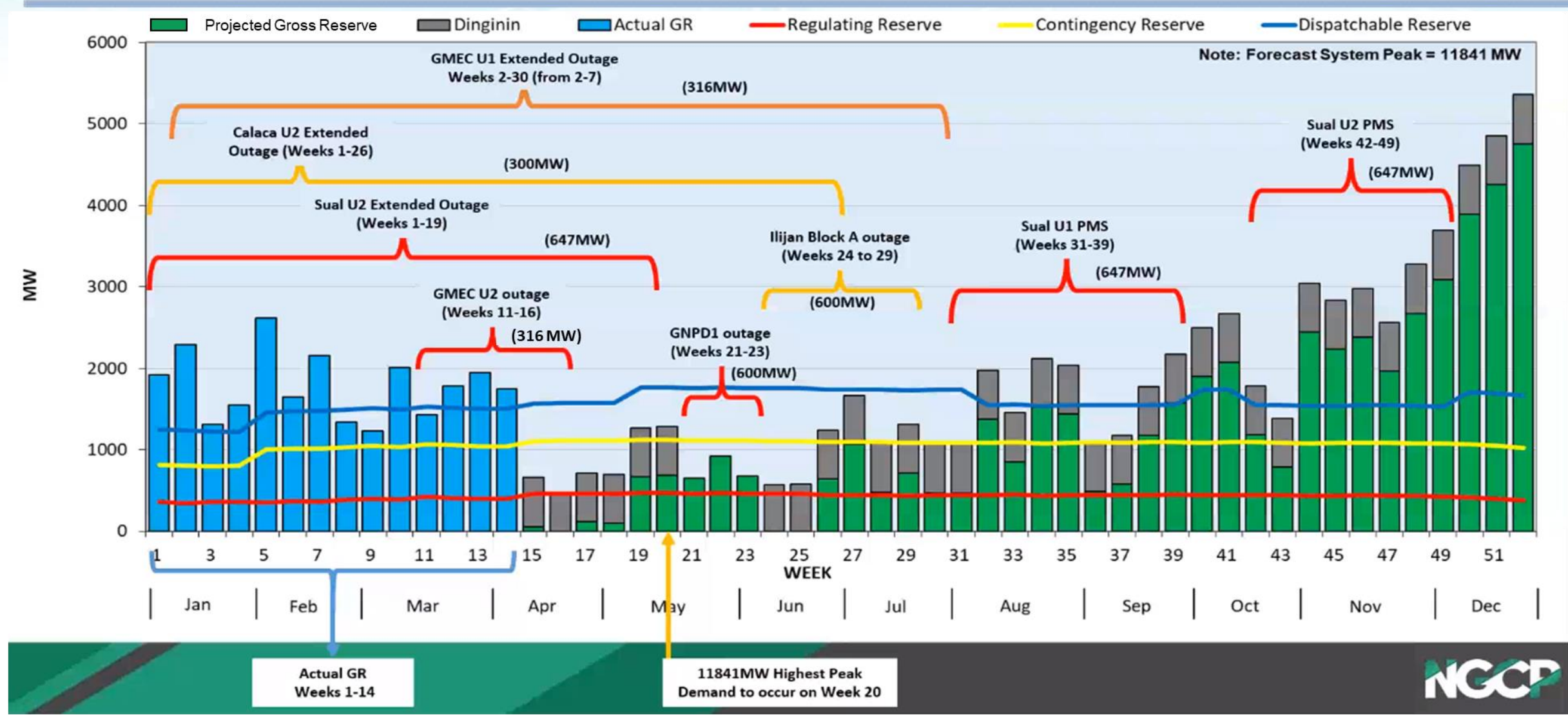


* Projected Available Capacity with HVDC, Malaya, TMO and MEI

Source: NGCP DOR



2021 LUZON Power Outlook (Excess Capacity as of 14 April 2021)



END OF PRESENTATION

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