



DOE's Interruptible Load Program (ILP): MERALCO Implementation

Interruptible Load Program (ILP) is a voluntary, demand-side management program that allows customers to operate their generating sets & collectively reduce electricity drawn from the grid when power interruptions are imminent to ration limited power supply.



Program Background

- Promulgated under ERC Resolution No. 8, Series of 2010 and amended by Resolution Nos. 8, Series of 2013 and 5, Series of 2015
 - Open to non-contestable customers, contestable customers, locators in economic and freeport zones, and directly-connected customers
 - Prioritizes customers with large loads and requests them to 'de-load' when NGCP issues a **RED ALERT** notice
- Implemented first in Visayas and Mindanao to ration limited power supply and avert prolonged power outages
- In anticipation of a potential power supply shortage in Luzon, DOE initiated ILP implementation in MERALCO in March 2014

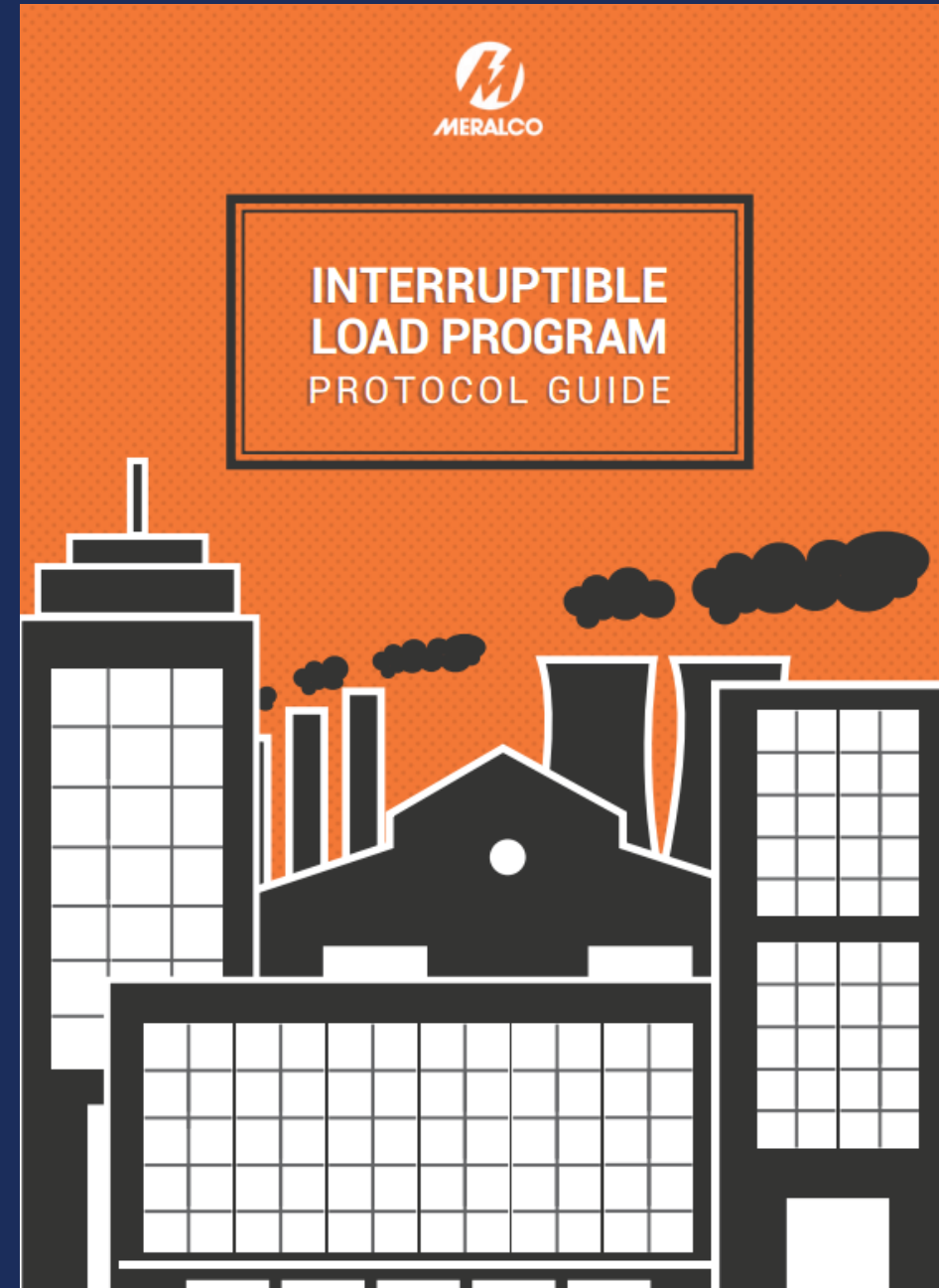


ILP implementation in MERALCO spared households from experiencing rotating brownouts during supply shortages

Red Alert Date	ILP Duration	De-loaded MWh	Est. No. of Households Spared from MLD
16 May 2014	1400H to 1600H	69	50,000
12 Jul 2014	1000H to 1700H	281	402,593
8 Sep 2014	1300H to 1600H	222	325,600

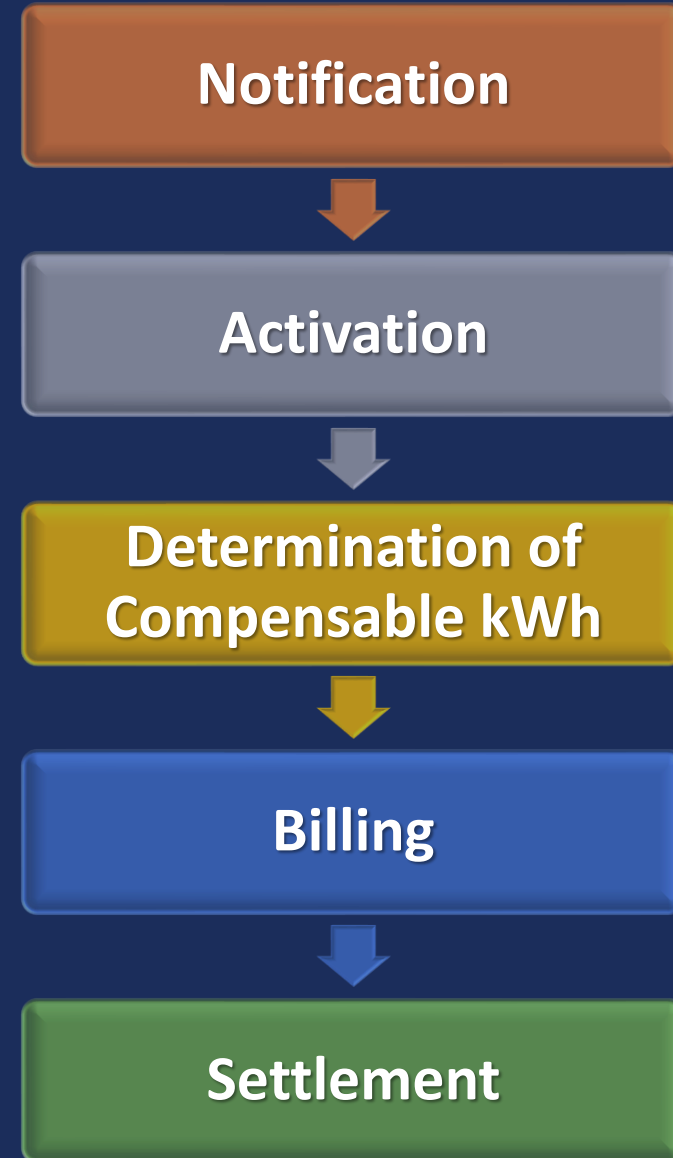
Red Alert Date	ILP Duration	De-loaded MWh	Est. No. of Households Spared from MLD
15 Apr 2016	1200H to 1700H	336	300,000
29 Jul 2016	1200H to 1700H	442	738,000
30 Jul 2016	0900H to 1700H	604	1,128,620
5 Aug 2016	1000H to 1800H	803	774,936
6 Sep 2016	1300H to 1700H	356	759,201

Program Mechanics for Captive Customers

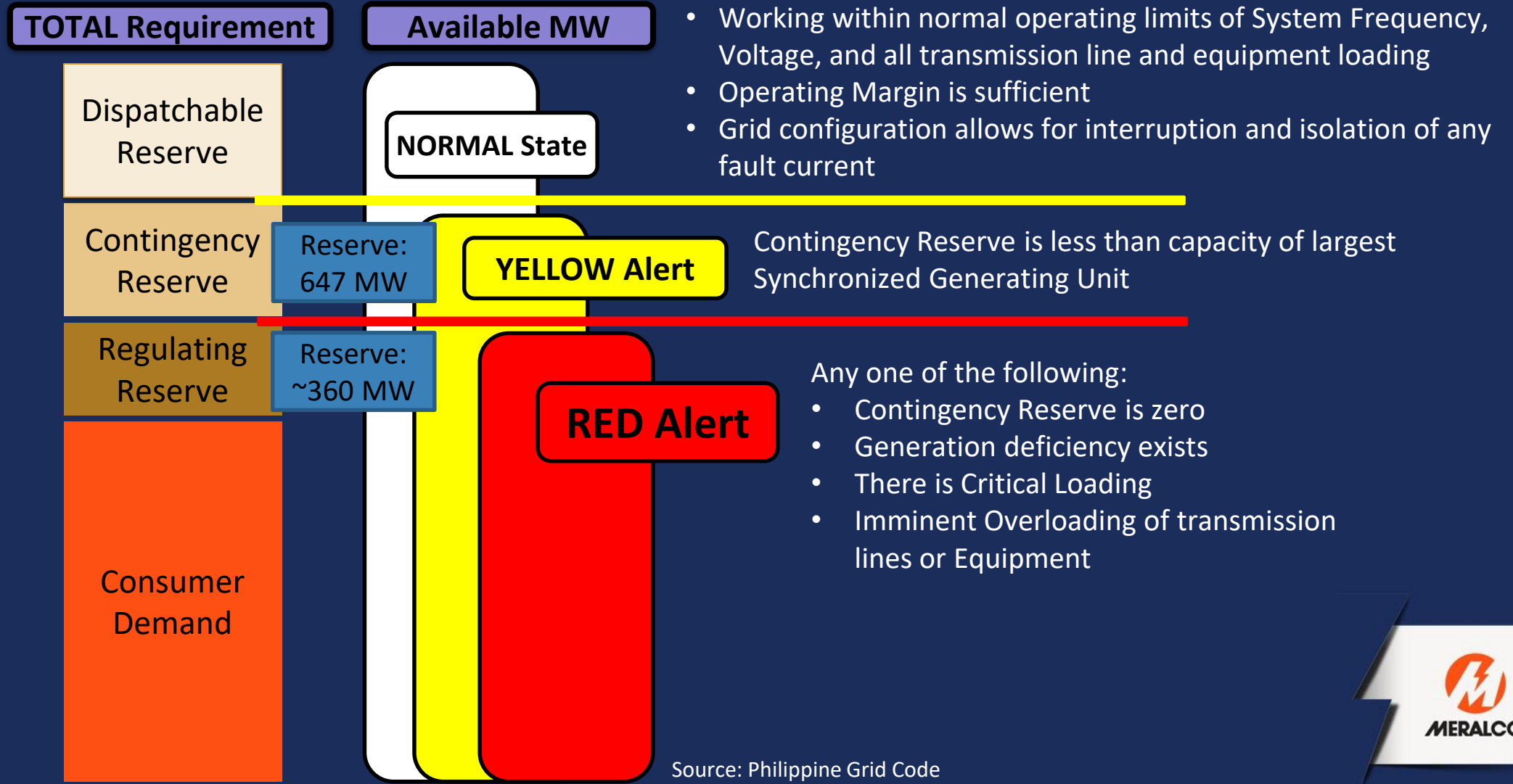


5 Steps to Implementing ILP

NOTIFICATION: MERALCO's Call Center directly notifies ILP Participants through their contact persons of grid conditions and possible ILP activation



NGCP regularly informs MERALCO of current system conditions



NGCP updates the public daily on Power Situation outlook

Power Situation Outlook

for Thursday, 11 April 2019

	LUZON	VISAYAS	MINDANAO
AVAILABLE GENERATING CAPACITY, MW	10,798	2,058	2,243
SYSTEM PEAK DEMAND, MW	10,562	1,952	1,830
GROSS RESERVE, MW	236	106	413

* Based on data available as of 10:00AM of the previous day.

** To view NGCP's updated Power Situation Outlook, please visit our website at <http://www.ngcp.ph>.



Power Situation Outlook

for Saturday, 13 April 2019

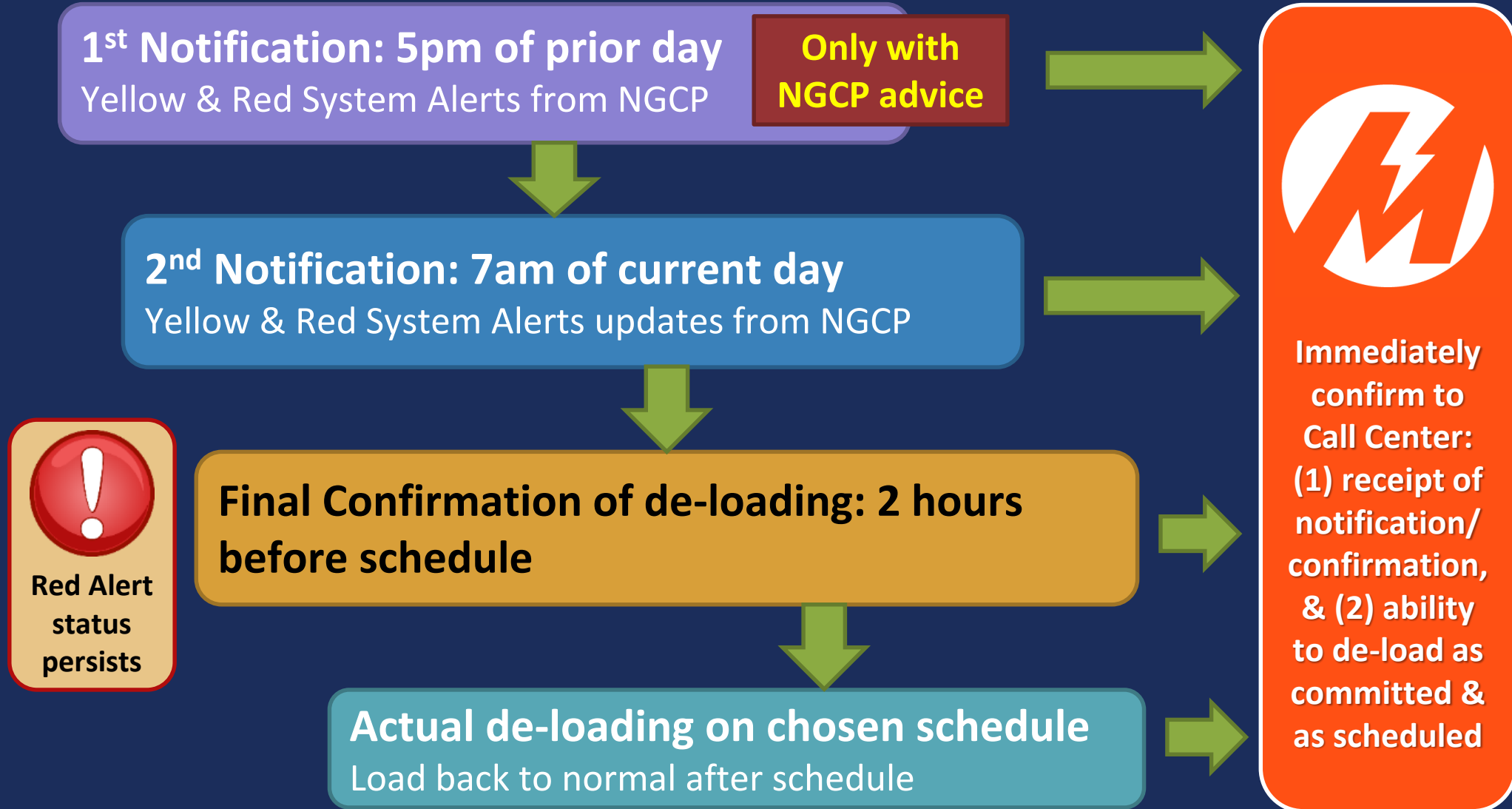
	LUZON	VISAYAS	MINDANAO
AVAILABLE GENERATING CAPACITY, MW	10,221	2,028	2,230
SYSTEM PEAK DEMAND, MW	9,380	1,874	1,680
GROSS RESERVE, MW	841	154	550

* Based on data available as of 10:00AM of the previous day.

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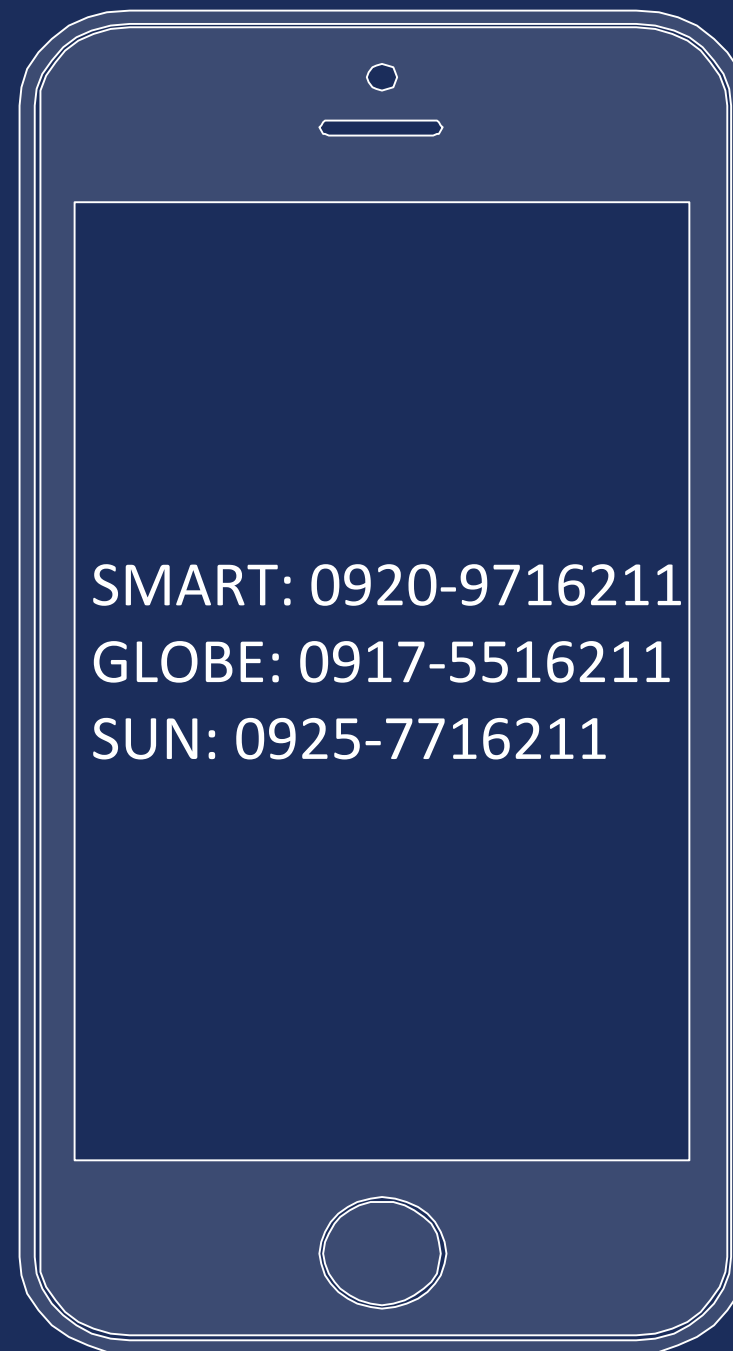
ILP Notification Process



Notification via SMS

If joining, please send: ILP <SPACE> YES
<SPACE> <ESTABLISHMENT NAME>
<SPACE> <SIN> <SPACE> <DE-LOADING
CAPACITY IN MW>

If not joining, please send: ILP <SPACE>
NO <SPACE> <ESTABLISHMENT NAME>
<SPACE> <SIN> <SPACE> <REASON FOR
NOT JOINING>



Notification Reminders

- Make sure to provide the correct landline number, mobile number and email address
- Depending on the level of reserves, the final confirmation notice may also be the first and only notice for de-loading if a large plant unexpectedly breaks down. This will be an **EMERGENCY** ILP activation.
- Always confirm participation immediately to MERALCO's Call Center
 - Remember that this will be the basis for compensation
 - Feedback to other MERALCO personnel or Relationship Manager will not be considered as official advice
- Follows the prescribed format in replying to SMS notifications

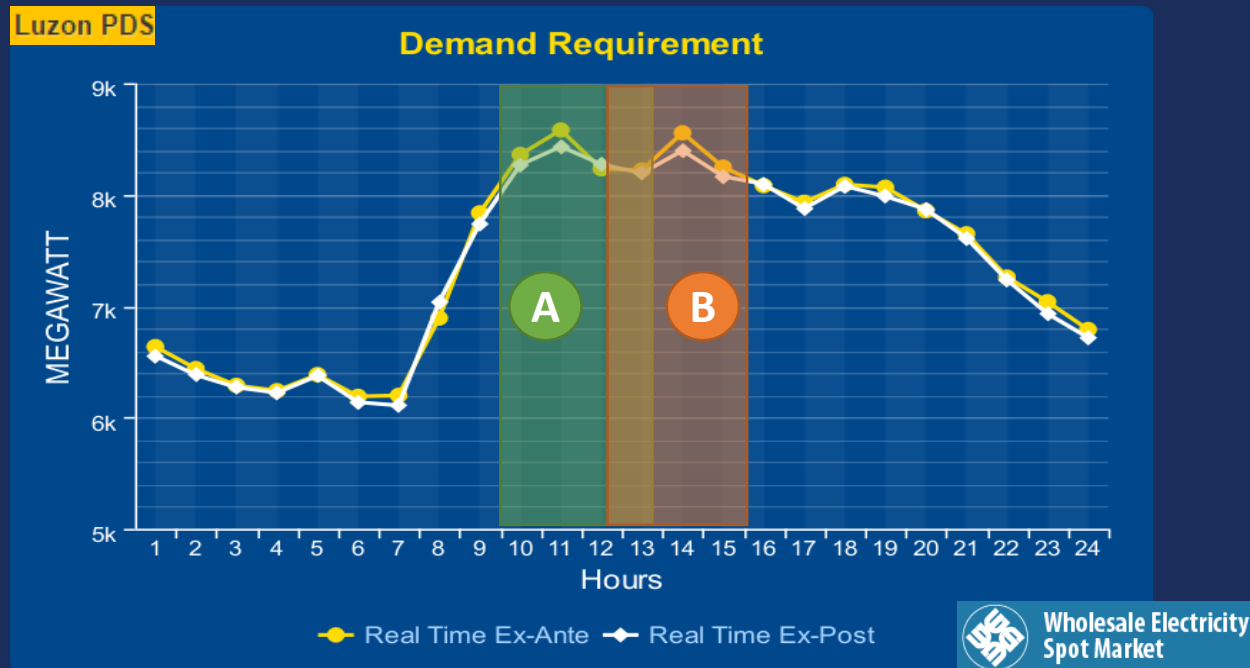


5 Steps to Implementing ILP

ACTIVATION: Participants choose between 2 de-loading windows that capture morning and afternoon peak:

A 10AM-1PM

B 12NN-3PM



Notification

Activation

Determination of
Compensable kWh

Billing

Settlement

Activation Reminders

- Always ensure ample fuel supply
- De-load immediately once instructed by MERALCO
- Depending on the level of deficiency and time of **RED ALERT** pronouncement by NGCP, participants may be requested to:
 - Extend de-loading
 - De-load outside preferred schedules
- Load back to normal after the prescribed de-loading window unless an extension has been issued by MERALCO's Call Center

Activation Reminders

- If you are unable to continue de-loading during the prescribed de-loading hours, please notify MERALCO's Call Center immediately and indicate:
 - Reason for inability to continue de-loading
 - Estimated time when the problem is expected to be resolved

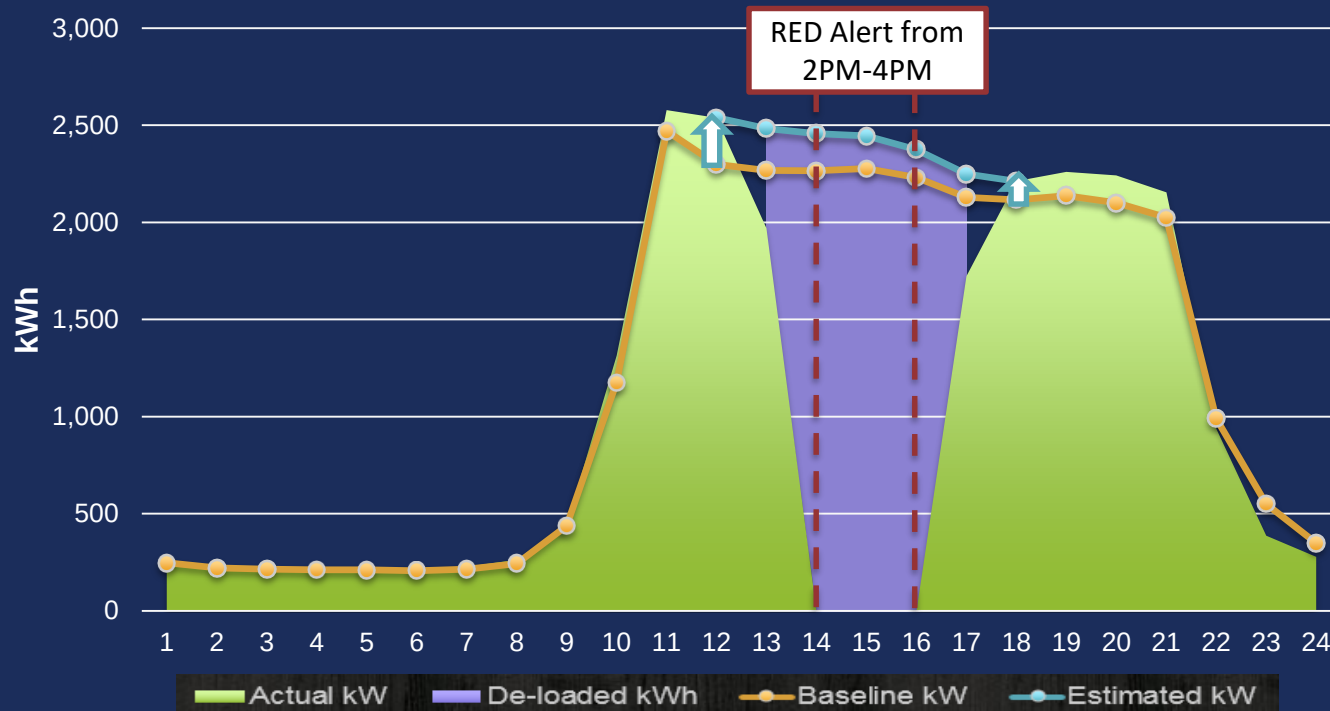
**ILP HOTLINE:
(02) 632-8118**



5 Steps to Implementing ILP

DETERMINATION OF COMPENSABLE KWH:

MERALCO will read consumption meters of participating accounts at the same time as the usual reading for billing & tag hours of ILP activation



Notification

Activation

Determination of
Compensable kWh

Billing

Settlement

5 Steps to Implementing ILP

BILLING: MERALCO will compute the De-loading Compensation and send to Participating Customer and/or RES for verification within 7 days from the regular reading date

March 31, 2014

Mr. Juan dela Cruz
Manager
ABC Company
Fort Santiago, Taguig
SIN 123456780101

Dear Sir dela Cruz,

Thank you for participating in the Interruptible Load Program! Below is our computation of the total De-loading Compensation of the SINs covered in our Agreement for [month year]:

	₱11,809.95
	De-loading Compensation without VAT for SIN xxx
+	₱11,809.95
	De-loading Compensation without VAT for SIN xxx
=	₱23,619.90
	Total De-loading Compensation without VAT
+	₱2,834.36
	12% VAT
=	₱26,454.29
	Total De-loading Compensation

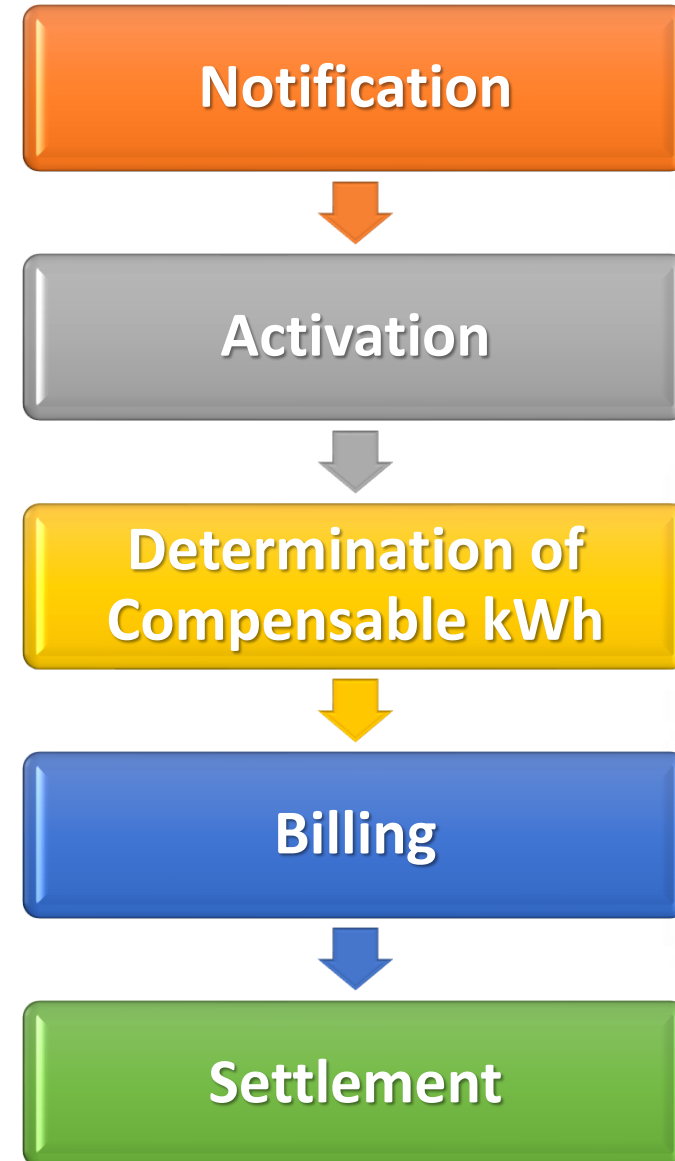
Details of the computation per SIN are contained in the attachments. If the amount is acceptable, kindly affix your signature on the designated space below and return the signed copy to us three days upon receipt of the letter. You may send the signed copy via fax at 632-XXXX or via email at xxx@meralco.com.ph.

Kindly also issue us an invoice or statement of account for the Total De-loading Compensation.

Should you have inquiries on the computation or the program, you may call <RM> at 1622-XXXX or email him at meralco.com.ph. Again, thank you for your cooperation, and we hope that you will continue to join us in our efforts to serve our fellow Filipinos.

MERALCO SIGNATORY
<Office>

Conforme: _____
SIGNATURE OVER PRINTED NAME
Position: _____
Contact Details: _____



Billing and Compensation (Amendments)

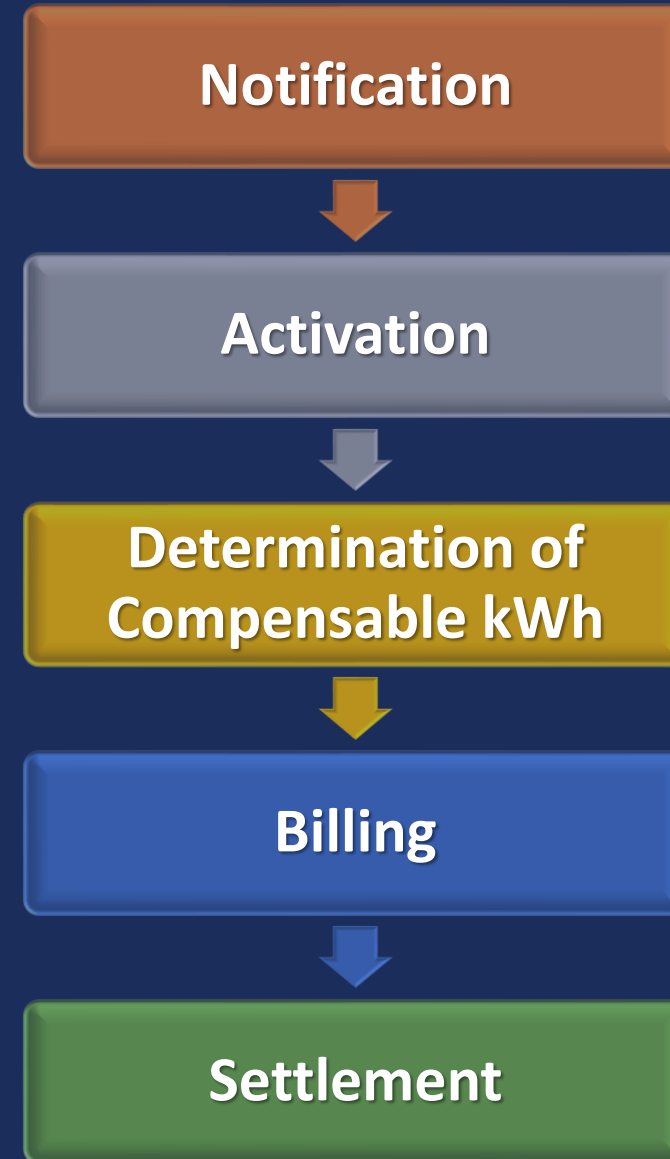
De-loading Compensation pesos	=	[Incremental De-loading Rate x Compensable kWh]	+	Maintenance Cost
Where:				
Incremental De-loading Rate	=	[Generation Cost of Fuel x Fuel Consumption Rate]	–	PC Average rate
Generation Cost of Fuel	=	Average price of diesel fuel from Petron, Shell and Caltex for the previous month as of the end of the previous calendar month in the city or municipality where the Participating Customer is located		
Fuel Consumption Rate	=	0.28 0.34 liter/kWh		
PC Average Rate	=	Average Rate for the current billing period		
Compensable kWh	=	Actual de-loaded kWh for the current billing period		
Maintenance Cost	=	PhP0.32/kWh x Compensable kWh or PhP23,548.00/month, whichever is lower		

Average Rate refers to the average PhP/kWh paid by the Customer, including Generation, Transmission, Distribution and non-bypassable cost (Universal Charge, FiT-All, Lifeline , VAT, etc)

5 Steps to Implementing ILP

SETTLEMENT: The signed conforme letter must be returned to MERALCO within 8 days from receipt.

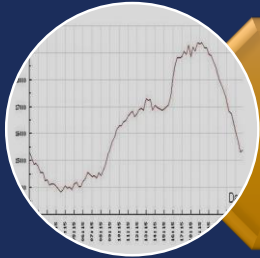
Upon receipt of the signed conforme letter, MERALCO will process payment within 30 days.



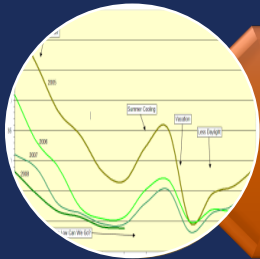
Join the ILP!



Volunteer to de-load a certain amount of your demand



Choose a time slot: 10am-1pm only, 12nn-3pm only, flexible



Establish a baseline load profile



Designate 3 contact persons



**Switching?
Finalize the tripartite ILP
agreement with your RES
to participate!**



Thank you!

