



# **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

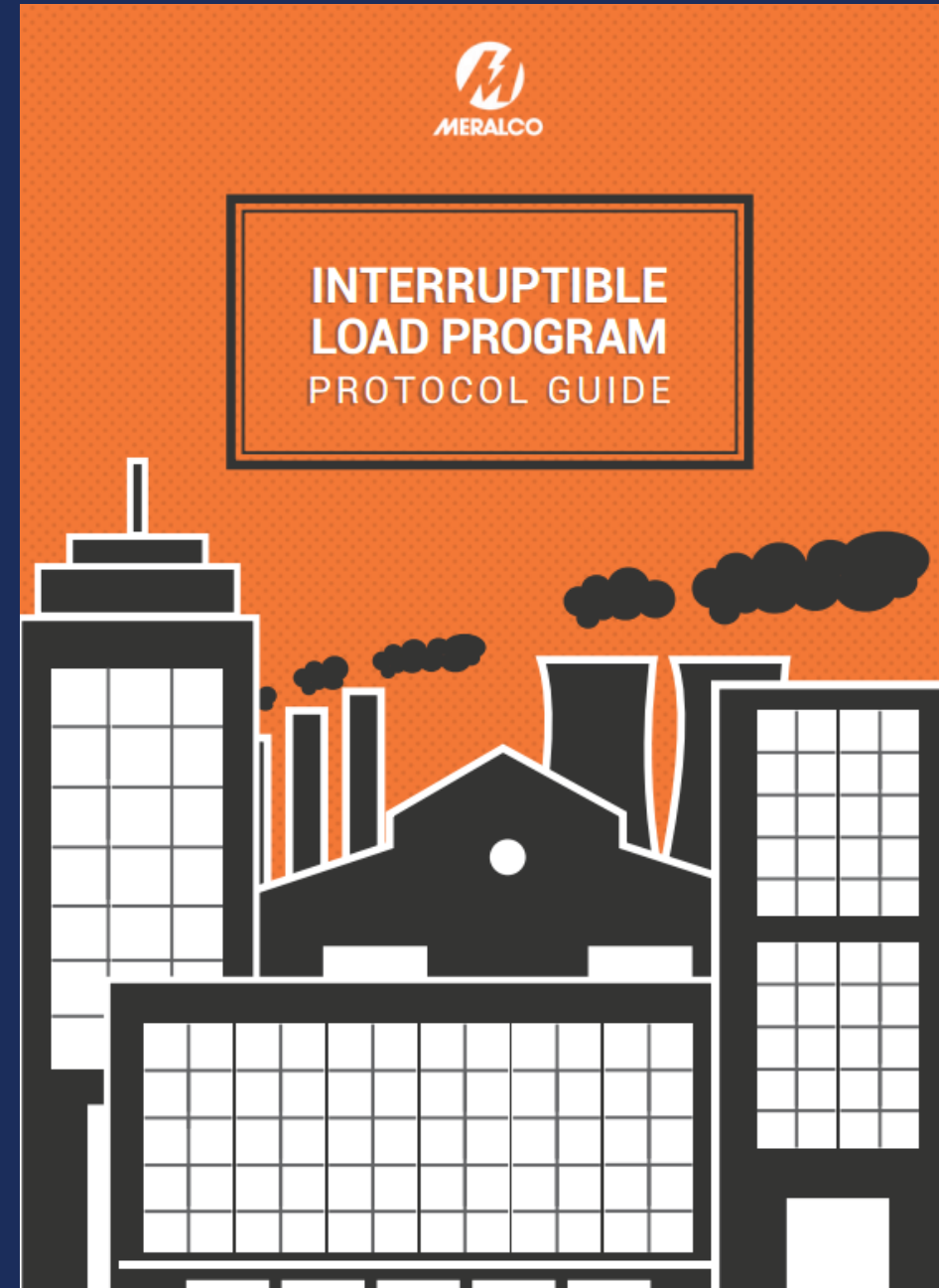


# ILP implementation in MERALCO spared households from experiencing rotating brownouts during supply shortages

| 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                                |

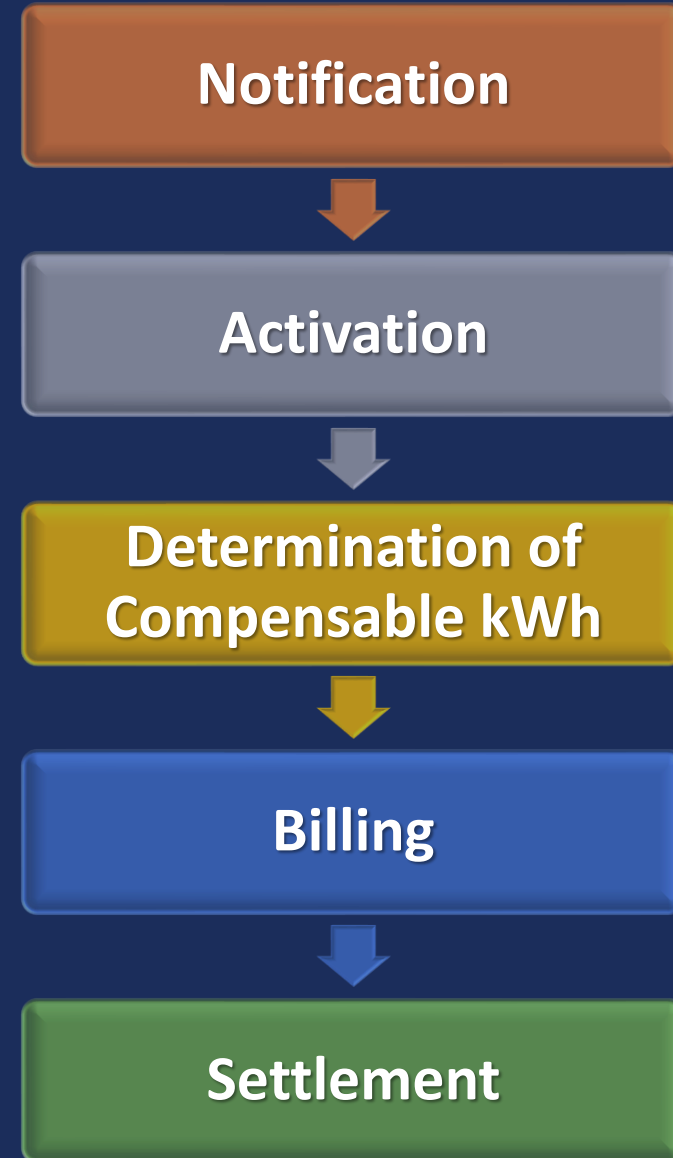
| Red Alert Date | ILP Duration   | De-loaded MWh | Est. No. of Households Spared from MLD |
|----------------|----------------|---------------|----------------------------------------|
| 15 Apr 2016    | 1200H to 1700H | 336           | 300,000                                |
| 29 Jul 2016    | 1200H 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

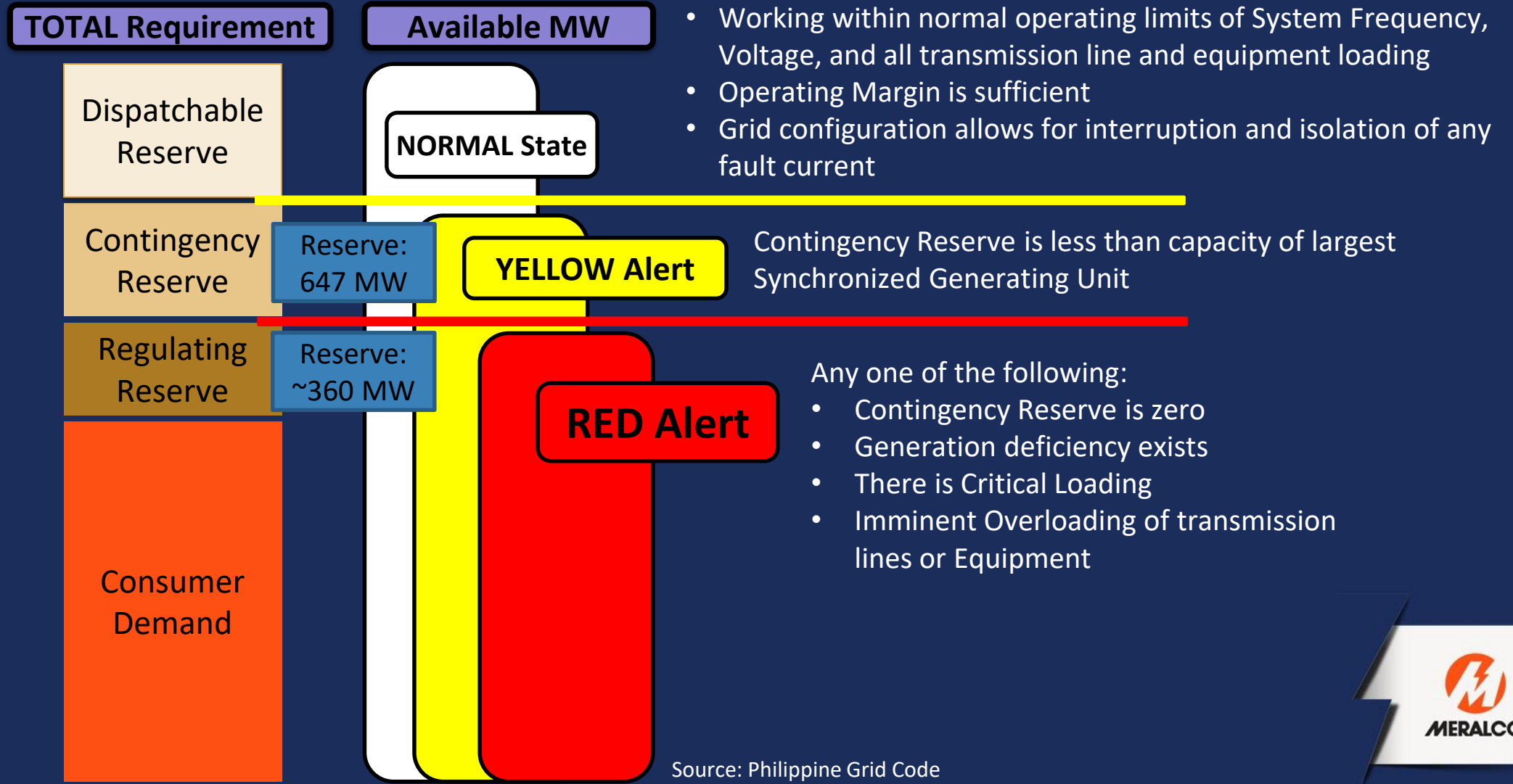


# 5 Steps to Implementing ILP

**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 | <b>10,798</b> | <b>2,058</b> | <b>2,243</b> |
| SYSTEM PEAK DEMAND, MW            | <b>10,562</b> | <b>1,952</b> | <b>1,830</b> |
| GROSS RESERVE, MW                 | <b>236</b>    | <b>106</b>   | <b>413</b>   |

\* 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

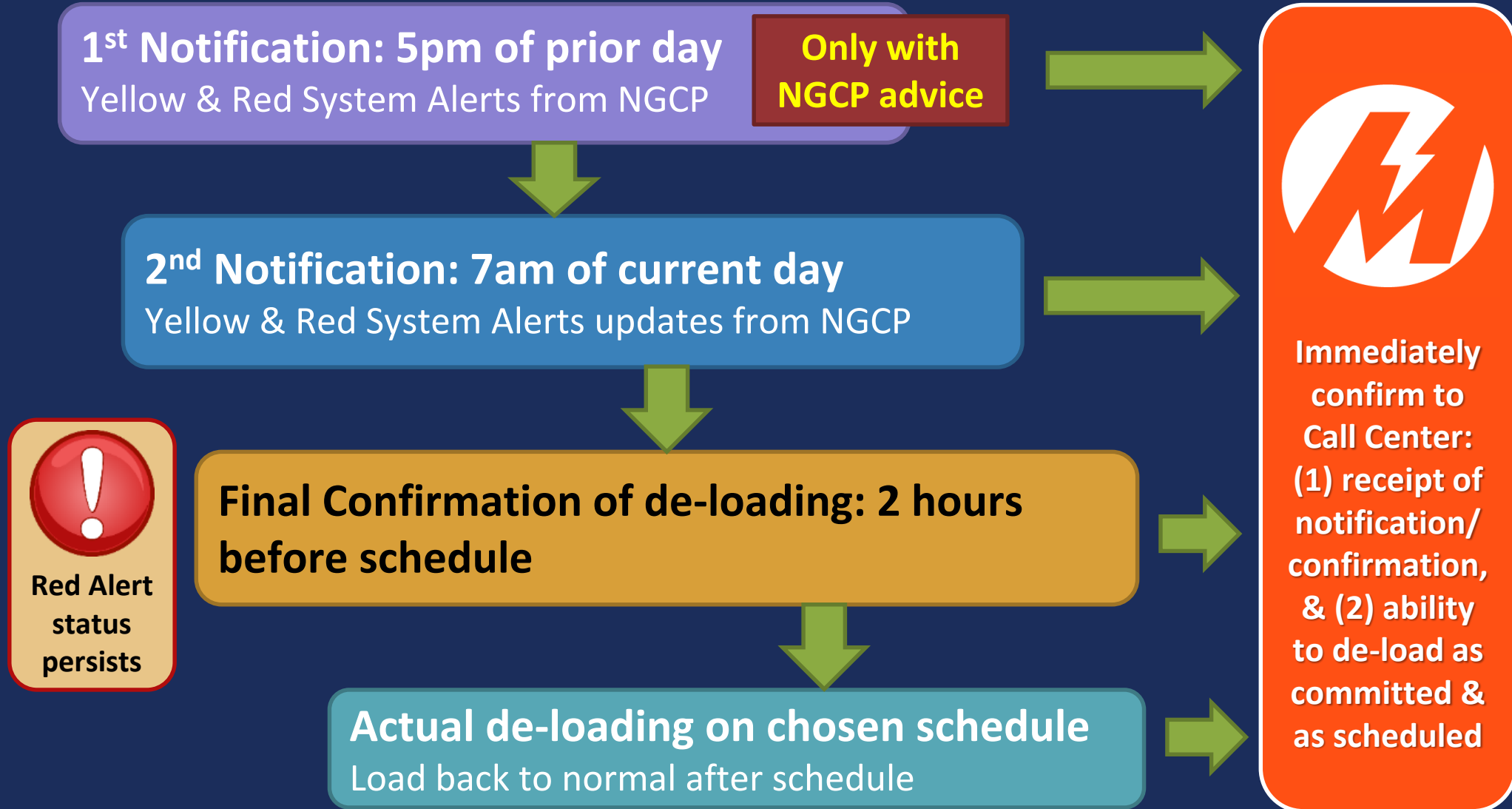
|                                   | LUZON         | VISAYAS      | MINDANAO     |
|-----------------------------------|---------------|--------------|--------------|
| AVAILABLE GENERATING CAPACITY, MW | <b>10,221</b> | <b>2,028</b> | <b>2,230</b> |
| SYSTEM PEAK DEMAND, MW            | <b>9,380</b>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

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

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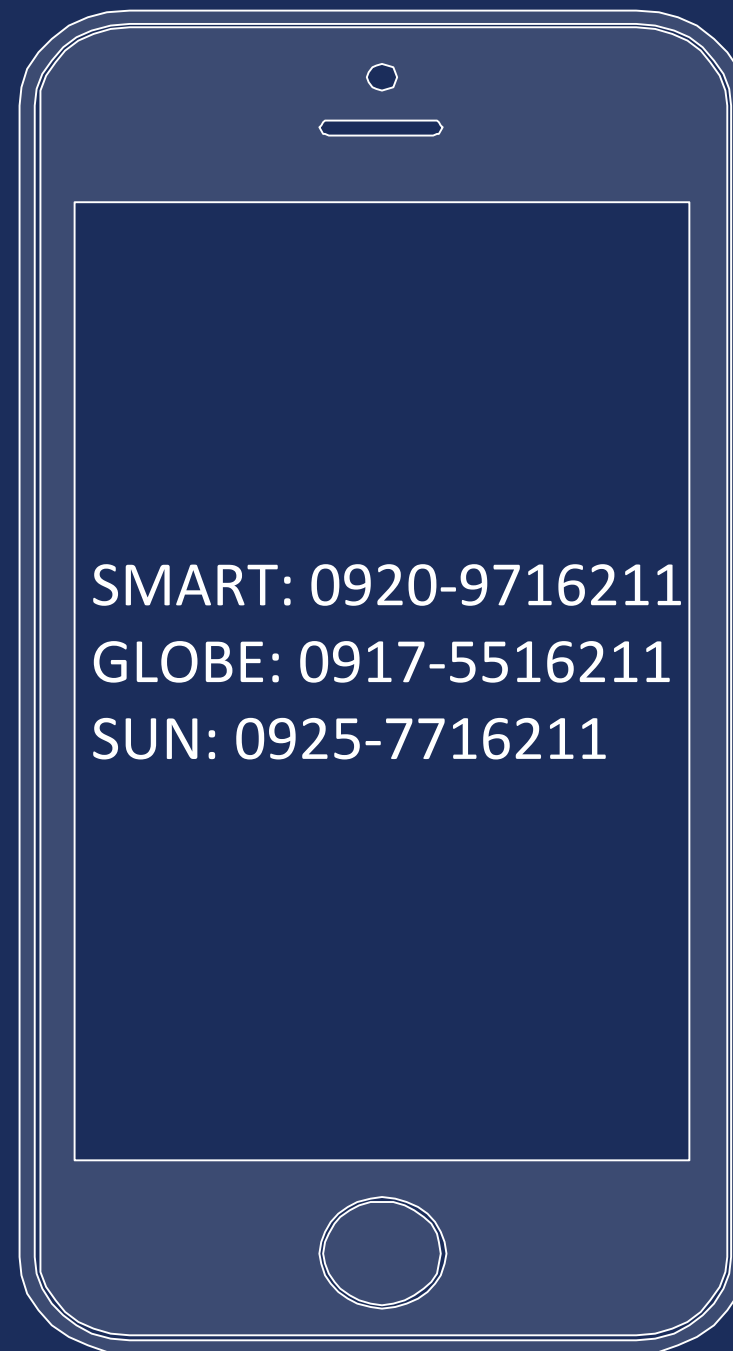
# ILP Notification Process



# 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

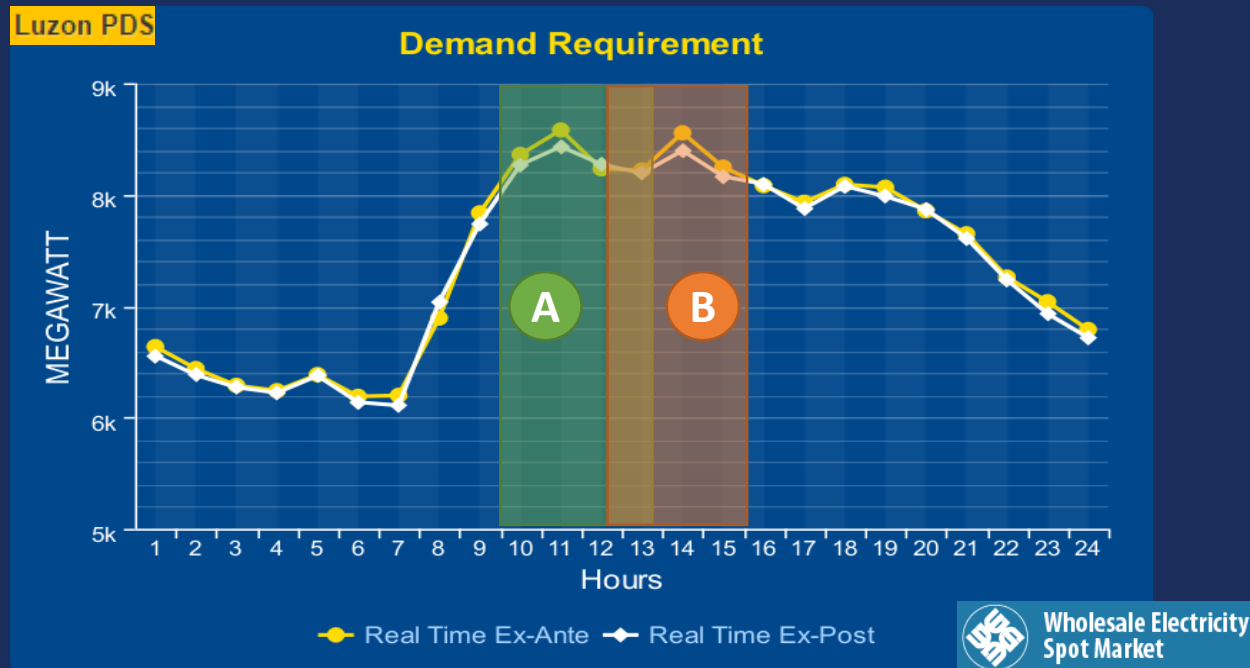


# 5 Steps to Implementing ILP

**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

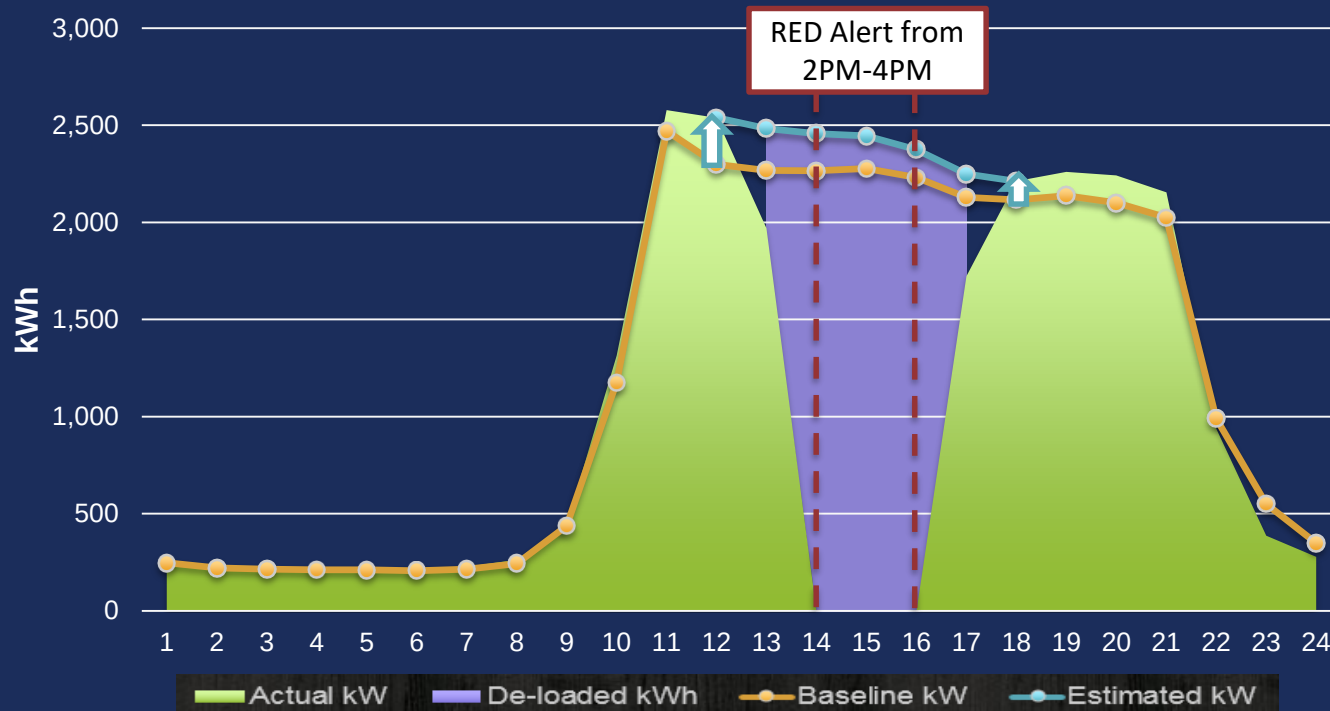
**ILP HOTLINE:  
(02) 632-8118**



# 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                   |

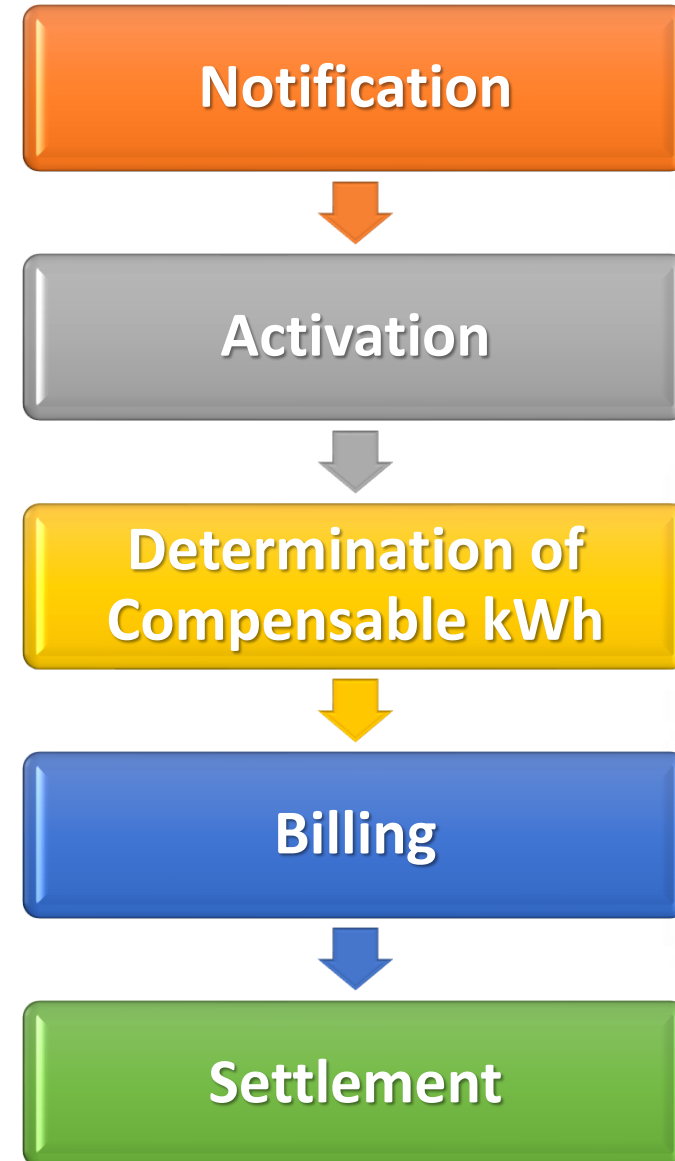
Details of the computation per SIN are contained in the attachments. If the amount is acceptable, kindly affix your signature on the designated space below and return the signed copy to us three days upon receipt of the letter. You may send the signed copy via fax at 632-XXXX or via email at [xxx@meralco.com.ph](mailto:xxx@meralco.com.ph).

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](mailto: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: \_\_\_\_\_

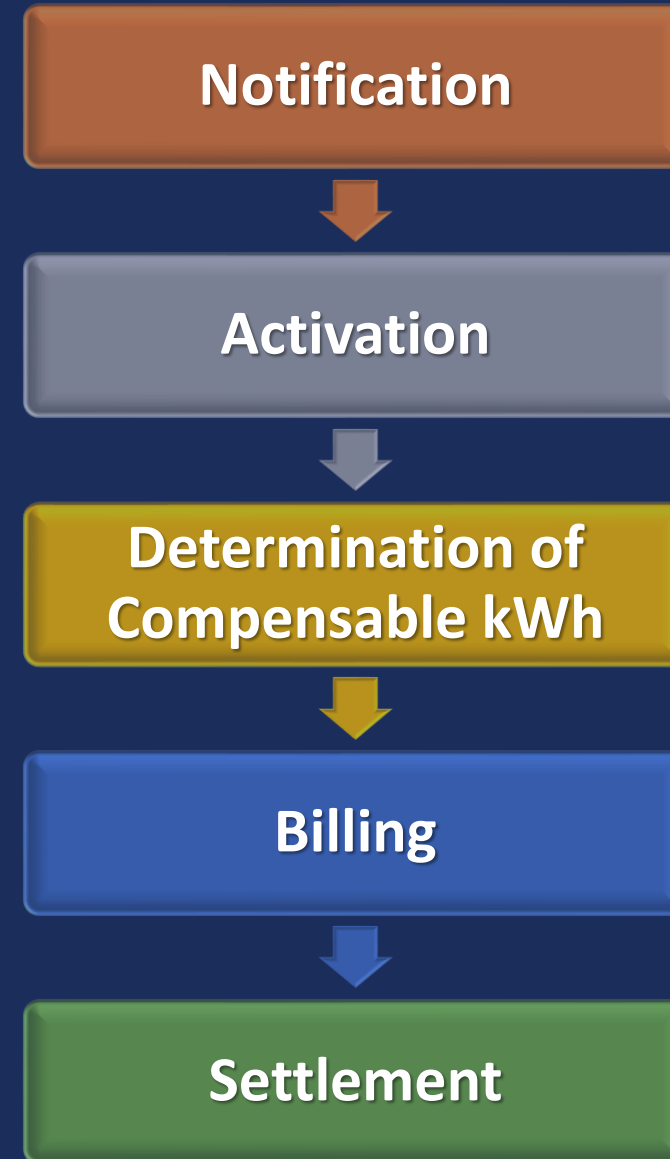


# Billing and Compensation (Amendments)

|                                      |   |                                                                                                                                                                                                               |   |                         |
|--------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-------------------------|
| <b>De-loading Compensation</b> pesos | = | <b>[Incremental De-loading Rate x Compensable kWh]</b>                                                                                                                                                        | + | <b>Maintenance Cost</b> |
| Where:                               |   |                                                                                                                                                                                                               |   |                         |
| <b>Incremental De-loading Rate</b>   | = | <b>[Generation Cost of Fuel x Fuel Consumption Rate]</b>                                                                                                                                                      | – | <b>PC Average rate</b>  |
| <b>Generation Cost of Fuel</b>       | = | <b>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</b> |   |                         |
| <b>Fuel Consumption Rate</b>         | = | <b>0.28 0.34 liter/kWh</b>                                                                                                                                                                                    |   |                         |
| <b>PC Average Rate</b>               | = | <b>Average Rate for the current billing period</b>                                                                                                                                                            |   |                         |
| <b>Compensable kWh</b>               | = | <b>Actual de-loaded kWh for the current billing period</b>                                                                                                                                                    |   |                         |
| <b>Maintenance Cost</b>              | = | <b>PhP0.32/kWh x Compensable kWh or PhP23,548.00/month, whichever is lower</b>                                                                                                                                |   |                         |

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

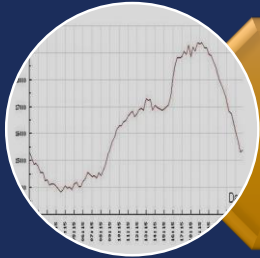


**Billing and settlement of De-loading Compensation is between the RES and contestable customer**

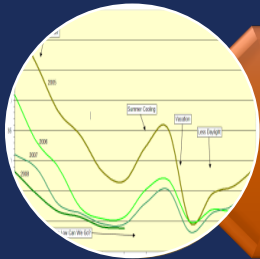
# Join the ILP!



**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!

