



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR NO. DC2013-05-0006

**ENJOINING ALL GENERATION COMPANIES, DISTRIBUTION UTILITIES, SUPPLIERS AND LOCAL SUPPLIERS TO ENSURE AN EFFECTIVE AND SUCCESSFUL TRANSITION TOWARDS THE IMPLEMENTATION OF RETAIL COMPETITION AND OPEN ACCESS**

**WHEREAS**, Section 37 of the Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA), the Department of Energy (DOE) is mandated to, among other things to:

- (a) Supervise the restructuring of the electric power industry;
- (b) Formulate rules and regulations as may be necessary to implement the objectives of EPIRA; and
- (c) Exercise such other powers, as may be necessary or incidental to attain the objectives of EPIRA.

**WHEREAS**, to properly guide the implementation of Retail Competition and Open Access (RCOA), the DOE promulgated Department Circular No. DC2012-05-0005, which prescribes the general policies for the implementation of RCOA and Department Circular No. DC2012-11-0010, which provides for additional guidelines and implementing policies for RCOA and amending certain provisions of Department Circular No. DC2012-05-0005;

**WHEREAS**, the said Circulars uphold the objectives of EPIRA to: (i) promote customer choice; (ii) ensure fair and non-discriminatory treatment of public and private sector entities in the process of restructuring the electric power industry; and (iii) to ensure transparent and reasonable prices of electricity in a regime of free and fair competition and full public accountability;

**WHEREAS**, during the series of public consultations conducted prior to the promulgation of the said Circulars, the Contestable Customers (CCs) expressed their concerns on the alleged non-responsiveness of most, if not all, licensed Suppliers and Local Suppliers on the requests of CCs for offers of terms and conditions for possible negotiation for Retail Supply Contracts (RSCs);

**WHEREAS**, the CCs further reported that Suppliers and Local Suppliers are not making any offers allegedly because their capacities have already been allocated to either their affiliate CCs and/or other target CCs;

**WHEREAS**, the aforementioned concern was again reiterated and emphasized by the CCs during the DOE-initiated Suppliers' and Contestable Customers' Get-Together for RCOA held last 20 March 2013 at the Asian Institute of Management (AIM), in the presence of the Energy Regulatory Commission (ERC) and the Philippine Electricity Market Corporation (PEMC), and other stakeholders in the industry;

**WHEREAS**, the EPIRA provides that electricity Suppliers shall demonstrate their technical capability, financial capability, and creditworthiness, which are requisites to ensure their ability to secure sufficient generation capacity to continuously supply electricity service to the CCs;

**WHEREAS**, the ERC issued Resolution No. 05, Series of 2013 dated 22 March 2013, entitled "A Resolution on the Disclosures of Capacity and Energy Allocations by Distribution Utilities in the Luzon and Visayas Grids and Retail Electricity Suppliers," which mandates among others, for the Suppliers and Local Suppliers to disclose, in affidavit-form, the amount of capacity in megawatts (MW) and energy in megawatt-hours (MWH) that they have contracted with the power generation companies as well as disclose information on the number of CCs they have contracted for retail supply, and the capacity (in MW) and energy (in MWH) that they have allocated to their contracted CCs, and their remaining available capacity (in MW) and energy (in MWH);

**WHEREAS**, the DOE supports transparency, good governance and greater competition in the generation and supply sectors;

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the DOE, in pursuit of its supervisory functions vested to it by the EPIRA, and consistent with ERC Resolution No. 5, Series of 2013 dated 22 March 2013, hereby promulgates the following:

**Section 1. Obligations of Electric Power Industry Participants in the Implementation of RCOA.** Pursuant to the provisions of the EPIRA, its Implementing Rules and Regulations (EPIRA-IRR), and other applicable rules and regulations, the following are hereby enjoined to fully comply with their obligations to include, but not limited to, the following:

- (a) **For all Generation Companies, Distribution Utilities, Suppliers, and Local Suppliers:**
  - (i) Identify focal and contact person/s duly authorized to interface and communicate with DOE, ERC and PEMC on matters

relating to the implementation of RCOA. For purposes of this provision, the WESM Compliance Officers (WCOs) duly designated by each WESM member under DOE Department Circular No. DC 2010-07-0008 may be submitted as the focal person.

- (ii) In the case of power generation companies, submit to the DOE, on a regular basis, all power supply contracts entered into with Distribution Utilities, Suppliers, and Local Suppliers, including Directly-Connected Customers. The report shall, among others, indicate the contract price, contract levels and duration, and any value-added services.
- (iii) Comply with the intent of the EPIRA and the rules to prevent any player from exercising abuse of market power and engage in any anti-competitive behaviour. For this purpose, the above participants are prohibited from exercising abuse of market power and engaging in any anti-competitive behaviour.

For purposes of uniformity and guidance in the submission of compliance reports, refer to "Annexes A-1" (Power Generation Companies) and "A-2" (Suppliers and Local Suppliers) of this Circular.

**(b) For Suppliers and Local Suppliers:**

- (i) Submit pertinent information for the monitoring and evaluation of the progress of RCOA implementation, including but not limited to, supply portfolio, list of CCs, contract levels and duration, price ranges and other documentary requirements as may be required by DOE, ERC and PEMC.
- (ii) Conduct business in a fair and transparent manner by providing the CCs the reasons for any refusal to provide retail supply services. This shall be done in writing by the WCO or the duly designated focal person identified under Section 1(a)(i) hereof. A declaration of insufficient capacity shall not be considered a valid reason for refusal to provide retail electricity services unless the DOE certifies that the Supplier or Local Supplier concerned is deemed no longer capable, at the time of such declaration was made, to serve the current and any additional requirements of the CCs;
- (iii) Engage in negotiations with CCs to ensure customer choice and protection; and

- (iv) Provide the CCs pertinent and truthful information including but not limited to contact details, coverage of the services offered, duration of the RSC, the manner by which the prices are determined and the actual or price ranges in Philippine Peso per kWh. Such information shall likewise be submitted to the DOE and published in their respective websites.
- (c) **For Distribution Utilities:**
- (i) Provide services and perform its obligations in a non-discriminative manner over its franchise area.
  - (ii) Submit quarterly report to the DOE on the development of contestability within its franchise area.
  - (iii) Submit to DOE, a quarterly operational report, detailing among others, the segregated sales to Captive and CCs within each franchise area, and activities undertaken as the default Suppliers of Last Resort (SOLR).

For purposes of uniformity and guidance in the submission of compliance reports, refer to "Annex B" of this Circular.

**Section 2. Additional Responsibilities of the Philippine Electricity Market Corporation.** In addition to its responsibilities provided for under DOE Circular No. 2012-02-0002 and in pursuit of its role as Central Registration Body, the PEMC shall undertake the following, but not limited to:

- (a) Monitor and submit a monthly report to the DOE and the ERC detailing the registration status including a list of Suppliers with their counterparty CCs.
- (b) Submit Issues Paper to the DOE on a quarterly basis, to include among others, proposed policy actions necessary to enhance implementation of a truly competitive and efficient integrated wholesale and retail supply.
- (c) Undertake a training program for the focal persons identified in Section 1(a)(i) above.

**Section 3. Regulatory Intervention.** As mandated under Sections 43 (k) and 45 of the EPIRA, the ERC shall enforce all policies and determine regulatory actions necessary to facilitate provision of a competitive electricity industry environment and to mitigate any potential abuse of market power and anti-competitive behaviour between and among market participants, including but not limited to, any contingency measures to ensure sufficient protection of the Captive and CCs.

**Section 4. Compliance Monitoring.** To ensure that all the information requirements and all other reportorial requirements prescribed in this Circular is complied with, the DOE, through the Electric Power Industry Management Bureau (EPIMB), shall submit a quarterly report to the DOE Secretary, copy furnish the ERC Chairperson for proper courses of action on the needed policies and regulatory actions including any remedial or punitive or disciplinary actions for non-compliances of any electric power industry participant.

**Section 5. Penalty Clause.** Failure of any Generation Company, Supplier or Local Supplier to comply with their obligations set forth in this Circular shall be subject to the imposition of fines and penalties by the ERC and, as so required to protect the public interest, may result in suspension, or revocation of licenses and authorizations.

**Section 6. Repealing Clause.** Except insofar as may be manifestly inconsistent herewith, nothing in this Circular shall be construed as to repeal any of the mechanisms already existing or responsibilities already provided for under existing rules.

**Section 7. Separability Clause.** If for any reason, any section or provision of this Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

**Section 8. Effectivity.** This Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued this **MAY 06 2013** in Energy Center, Rizal Drive, Bonifacio Global City Taguig City.

  
**CARLOS JERICHO L. PETILLA**  
Secretary



**POWER GENERATION COMPANIES' COMPLIANCE FORM**  
Pursuant to DOE Circular No. DC 2013-05-0006, dated 06 May 2013

**Reportorial Requirements for Power Generation Companies on RCOA Implementation**

Note: To be accomplished by a duly authorized focal person and/or designated WESM Compliance Officer

<b>Name of Power Generation Company</b>				
<b>Contact Person</b>				
<b>Position/Designation</b>				
<b>Office Address</b>				
<b>COC No.:</b>				
<b>Telephone No.:</b>	<b>Fax No:</b>	<b>Email Address:</b>		
<b>Name of Power Plant/s:</b>		<b>Location/s:</b>		
<b>Resource Type:<sup>1</sup></b>		<b>Capacity (MW):</b>		
<b>Name of Customers</b>	<b>Contracted Demand (MW)</b>	<b>Contracted Energy (MWH)</b>	<b>Contract Price (P/kWh)</b>	<b>Contract Duration</b>
RES				
DU				
LRES				
DCC				
.....				

(continue on separate sheet if necessary)

<sup>1</sup> Coal, Hydro, Natural Gas, Geothermal, Oil-Based (please specify fuel)

**Instructions:**

Submission must be done on a per power plant basis (1 Form, 1 Power Plant).

Please submit in hard and soft copies to:

**THE OFFICE OF THE DIRECTOR**

Electric Power Industry Management Bureau

Department of Energy

Energy Center, Rizal Drive, Bonifacio Global City

Taguig City, Philippines

Tel./Fax No. 632-840-1773

Email to: [mycaps@doe.gov.ph](mailto:mycaps@doe.gov.ph); [ixconde@gmail.com](mailto:ixconde@gmail.com);

[ningski\\_baltazar@yahoo.com](mailto:ningski_baltazar@yahoo.com); [rcoapower@gmail.com](mailto:rcoapower@gmail.com); [sec@doe.gov.ph](mailto:sec@doe.gov.ph)

Accomplished by:

\_\_\_\_\_

Name and Signature

\_\_\_\_\_

Designation

**SUPLIERS' AND LOCAL SUPPLIERS' COMPLIANCE FORM**  
Pursuant to DOE Circular No. DC 2013-05-0006, dated 06 May 2013

**Reportorial Requirements for Suppliers and Local Electricity Suppliers on  
RCOA Implementation**

**Note: To be accomplished by a duly authorized focal person and/or designated WESM Compliance Officer**

Part I. Company Profile						
Name of RES/LRES						
Contact Person						
Position/Designation						
Office Address						
License/Certificate No.						
Telephone No.:		Fax No:			Email Address:	
Part II. Supply Portfolio						
Supply Portfolio	Resource Type <sup>1</sup>	Contracted Capacity (MW)	Contracted Energy (MWH)	Contract Price (P/kWh)	Contract Duration	Generator is Affiliated to the RES/LRES (Yes/No)
1. Generator -A						
2. Generator - B						
3. Generator - C						
4. Generator -D						
5. Generator - E						
.....						
<b>Total</b>						
(continue on separate sheet if necessary)						
Part III. Capacity Allocation for Contestable Customers						
Contestable Customers	Capacity (MW)	Energy (MWH)	Contract Price (P/kWh)	Contract Duration		
1. CC <sub>1</sub>						
2.						
3.						
4.						
5. CC <sub>n</sub>						
<b>Total</b>						
(continue on separate sheet if necessary)						
Value Added Services Offered to CCs:						
1.						
2.						
3.						

<sup>1</sup> Coal, Hydro, Natural Gas, Geothermal, Oil-Based (please specify fuel)

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Taguig City, Philippines  
Tel./Fax No. 632-840-1773  
Email to: [mycaps@doe.gov.ph](mailto:mycaps@doe.gov.ph); [ixconde@gmail.com](mailto:ixconde@gmail.com);  
[ningski\\_baltazar@yahoo.com](mailto:ningski_baltazar@yahoo.com); [rcoapower@gmail.com](mailto:rcoapower@gmail.com); [sec@doe.gov.ph](mailto:sec@doe.gov.ph)

Accomplished by: \_\_\_\_\_  
Name and Signature  
\_\_\_\_\_  
Designation





**POWER GENERATION COMPANIES' COMPLIANCE FORM**  
Pursuant to DOE Circular No. DC 2013-05-0006, dated 06 May 2013

**Reportorial Requirements for Power Generation Companies on RCOA Implementation**

Note: To be accomplished by a duly authorized focal person and/or designated WESM Compliance Officer

<b>Name of Power Generation Company</b>				
<b>Contact Person</b>				
<b>Position/Designation</b>				
<b>Office Address</b>				
<b>COC No.:</b>				
<b>Telephone No.:</b>	<b>Fax No:</b>	<b>Email Address:</b>		
<b>Name of Power Plant/s:</b>		<b>Location/s:</b>		
<b>Resource Type:<sup>1</sup></b>		<b>Capacity (MW):</b>		
<b>Name of Customers</b>	<b>Contracted Demand (MW)</b>	<b>Contracted Energy (MWH)</b>	<b>Contract Price (P/kWh)</b>	<b>Contract Duration</b>
RES				
DU				
LRES				
DCC				
.....				

(continue on separate sheet if necessary)

<sup>1</sup> Coal, Hydro, Natural Gas, Geothermal, Oil-Based (please specify fuel)

**Instructions:**

Submission must be done on a per power plant basis (1 Form, 1 Power Plant).

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Tel./Fax No. 632-840-1773

Email to: [mycaps@doe.gov.ph](mailto:mycaps@doe.gov.ph); [iexconde@gmail.com](mailto:iexconde@gmail.com);  
[ningski\\_baltazar@yahoo.com](mailto:ningski_baltazar@yahoo.com); [rcoapower@gmail.com](mailto:rcoapower@gmail.com); [sec@doe.gov.ph](mailto:sec@doe.gov.ph)

Accomplished by:

\_\_\_\_\_

Name and Signature

\_\_\_\_\_

Designation

**SUPLIERS' AND LOCAL SUPPLIERS' COMPLIANCE FORM**  
Pursuant to DOE Circular No. DC 2013-05-0006, dated 06 May 2013

**Reportorial Requirements for Suppliers and Local Electricity Suppliers on  
RCOA Implementation**

**Note: To be accomplished by a duly authorized focal person and/or designated WESM Compliance Officer**

Part I. Company Profile						
Name of RES/LRES						
Contact Person						
Position/Designation						
Office Address						
License/Certificate No.						
Telephone No.:		Fax No:			Email Address:	
Part II. Supply Portfolio						
Supply Portfolio	Resource Type <sup>1</sup>	Contracted Capacity (MW)	Contracted Energy (MWH)	Contract Price (P/kWh)	Contract Duration	Generator is Affiliated to the RES/LRES (Yes/No)
1. Generator -A						
2. Generator - B						
3. Generator - C						
4. Generator -D						
5. Generator - E						
.....						
<b>Total</b>						
(continue on separate sheet if necessary)						
Part III. Capacity Allocation for Contestable Customers						
Contestable Customers	Capacity (MW)	Energy (MWH)	Contract Price (P/kWh)	Contract Duration		
1. CC <sub>1</sub>						
2.						
3.						
4.						
5. CC <sub>n</sub>						
<b>Total</b>						
(continue on separate sheet if necessary)						
Value Added Services Offered to CCs:						
1.						
2.						
3.						

<sup>1</sup> Coal, Hydro, Natural Gas, Geothermal, Oil-Based (please specify fuel)

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Email to: [mycaps@doe.gov.ph](mailto:mycaps@doe.gov.ph); [ixconde@gmail.com](mailto:ixconde@gmail.com);  
[ningski\\_baltazar@yahoo.com](mailto:ningski_baltazar@yahoo.com); [rcoapower@gmail.com](mailto:rcoapower@gmail.com); [sec@doe.gov.ph](mailto:sec@doe.gov.ph)

Accomplished by: \_\_\_\_\_  
Name and Signature  
\_\_\_\_\_  
Designation

**DISTRIBUTION UTILITIES' COMPLIANCE FORM**  
Pursuant to DOE Circular No. DC 2013-05-0006, dated 06 May 2013

**Reportorial Requirements for Distribution Utilities on RCOA Implementation**

Note: To be accomplished by a duly authorized focal person and/or designated WESM Compliance Officer

Part I. Company Profile							
Name of Distribution Utility							
Contact Person							
Position/Designation							
Office Address							
Telephone No.:		Fax No:		Email Address:			
Registered with PEMC as Metering Service Provider (MSP)? Please tick box.				YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
Part II. Supply Portfolio							
Supply Portfolio	Resource Type <sup>1</sup>	Contracted Capacity (MW)	Contracted Energy (MWH)	Contract Price (P/kWh)	Contract Duration	Generator is Affiliated to the DU. (Yes/No)	
1. Generator -1							
2. Generator -2							
3. Generator -3							
4. Generator -4							
5. Generator -5							
.....	.....						
<b>Total</b>							
(continue on separate sheet if necessary)							
Part III. Capacity Allocation for Customers							
Captive Customers	Capacity (MW)	Energy (MWH)	Contract Price (P/kWh)				
Residential							
Commercial							
Industrial							
Public Buildings							
Streetlights							
Others							
.....							
<b>Total</b>							
(continue on separate sheet if necessary)							
Is there any ERC-designated Supplier of Last Resort (SOLR) for your Franchise Area? (YES/NO)							
If YES, please identify: _____							

<sup>1</sup> Coal, Hydro, Natural Gas, Geothermal, Oil-Based (please specify fuel)

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[ningski\\_baltazar@yahoo.com](mailto:ningski_baltazar@yahoo.com); [rcoapower@gmail.com](mailto:rcoapower@gmail.com); [sec@doe.gov.ph](mailto:sec@doe.gov.ph)

Accomplished by: \_\_\_\_\_  
Name and Signature  
\_\_\_\_\_  
Designation