



Republic of the Philippines  
**DEPARTMENT OF ENERGY**  
(Kagawaran ng Enerhiya)

DEPARTMENT ORDER NO. DO 2017-04-0004<sub>26</sub>

**DESIGNATING TRANSCO AS GRID OWNER TO PARTICIPATE IN THE  
PREPARATION, REVIEW AND EVALUATION OF THE TRANSMISSION  
DEVELOPMENT PLAN (TDP)**

**WHEREAS**, it is a declared policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power and to protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power.

**WHEREAS**, quality, reliability, security and affordability is ensured by a comprehensively prepared the Philippine Energy Plan (PEP) which is prepared and updated by the Department of Energy (DOE) annually.

**WHEREAS**, the Transmission Development Plan (TDP) is a vital component of the PEP.

**WHEREAS**, the DOE is, likewise, mandated to monitor private sector activities relative to energy projects in order to attain the goals of the Restructuring, Privatization and Modernization of the electric power sector.

**WHEREAS**, Section 9 of the EPIRA and Rule 6, Section 7 of the Implementing Rules and Regulations (IRR) mandated the National Transmission Corporation (TransCo) and/or its Concessionaire, presently the National Grid Corporation of the Philippines (NGCP), to provide open and non-discriminatory access to its transmission system to all electricity users, ensure and maintain the reliability, adequacy, security, stability and integrity of the nationwide electric grid in accordance with the performance standards for the operations and maintenance of the grid and set forth in a Philippine Grid Code (PGC), and improve and expand its transmission facilities, consistent with the PGC and the TDP to adequately serve generation companies, distribution utilities and suppliers requiring transmission service and/or ancillary services through the transmission system: Provided, That TransCo and/or its Concessionaire shall submit any plan for expansion or improvement of its facilities for approval by the Energy Regulatory Commission (ERC).

**WHEREAS**, Section 7.01 of the Concession Agreement states that NGCP, as Concessionaire, shall consult TransCo in preparing the TDP.

**WHEREAS**, TransCo remains the owner of the transmission assets even after the privatization of the transmission business.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the DOE hereby designates TransCo, as Grid Owner, and hereby orders the following.

Section 1. **Transmission Development Plan (TDP)**. NGCP shall consult and actively involve TransCo from the early stage of the preparation of the TDP and at



any stage thereafter, including but not limited to the formulation of the assumptions, in the initial determination of proposals for expansions, upgrading, additional installations, power system studies i.e. load flow, contingency analysis, short circuit, dynamic studies, reliability, protection and communications assessment, among others.

NGCP shall provide all the technical data/documents, including the updated power system models of the power grids used for computer simulations, to DOE and TransCo as deemed necessary in the performance of TDP activities.

Prior to the submission to the DOE, TransCo shall formally certify that it was consulted in the preparation of the TDP.

TransCo shall collaborate with the DOE in the review and evaluation of the TDP submitted by the NGCP.

**Section 2. Compliance Monitoring.** TransCo shall adopt and implement measures that are necessary to ensure NGCP's compliance with the TDP and in accordance to the terms and conditions set forth under the Concession Agreement, including but not limited to, the monitoring, evaluation and disclosure of the operational state of transmission assets, plans for and execution of projects to improve or expand the transmission and substation facilities.

**Section 3. Technical Studies and Grid Related Activities.** TransCo shall conduct studies and perform such other related functions that may be assigned by the DOE in the implementation of the PEP vis-a-vis the TDP. TransCo shall continue providing guidance on government policies and regulatory framework and directions, being the grid owner, in Grid Management Committee (GMC) related activities, pursuant to the Philippine Grid Code.

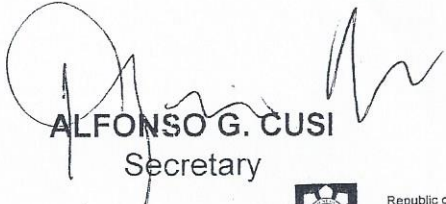
**Section 4. Capacity-Building.** Subject to pertinent government policies, rules and regulations, TransCo is directed to strengthen its organizational capability and assure that this Order is carried out effectively without compromising the performance of other mandated responsibilities.

**Section 5. Assistance from NGCP and Other Agencies Concerned.** NGCP, as well as all other agencies concerned, is directed to provide all relevant data and information, that the DOE and TransCo may require in the implementation of this Order.

**Section 6. Separability Clause.** If for any reason, any section or provision of this Order is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

**Section 7. Effectivity.** This Order shall take effect immediately and shall remain in effect until otherwise revoked.

Done this \_\_\_\_\_ 2017, Energy Center, Bonifacio Global City.

  
**ALFONSO G. CUSI**  
Secretary



APR 04 2017