

STRENGTHENING GOVERNANCE AND RESILIENCY IN THE ENERGY SECTOR

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E-Power Mo: Energy Consumers and Stakeholders Conference
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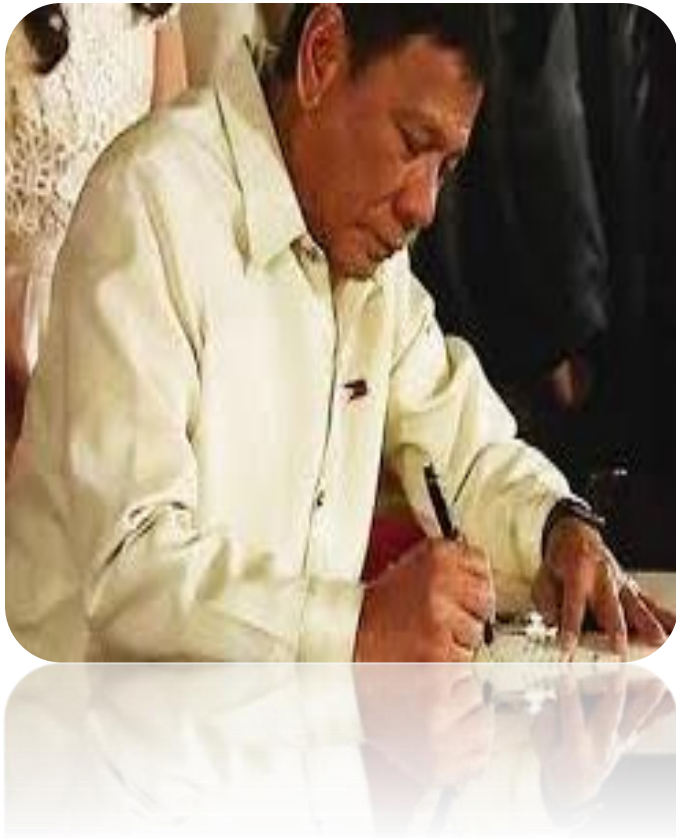


PRESENTATION OUTLINE



New Policy Directions

- EO 30 creating the Energy Investment Coordinating Council (EICC) in order to Streamline the Regulatory Procedures Affecting Energy Projects
- Energy Resiliency Policy



By the President of the Philippines

EXECUTIVE ORDER NO. 30

**Creating the Energy Investment
Coordinating Council (EICC) in
Order to Streamline the
Regulatory Procedures
Affecting Energy Projects**



Rationale

- **Promote a just and social order, prosperity, independence, freedom from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life**
- **Strengthen the following existing laws:**
 - **RA 7638, Sec. 23 (DOE Law)**
 - **RA 9136 (EPIRA Law)**
- **The Philippine Energy Plan was crafted to mainstream access of the larger populace to reliable and affordable energy services**
- **Priority of the government to streamline its processes to ensure effective and timely implementation of projects**

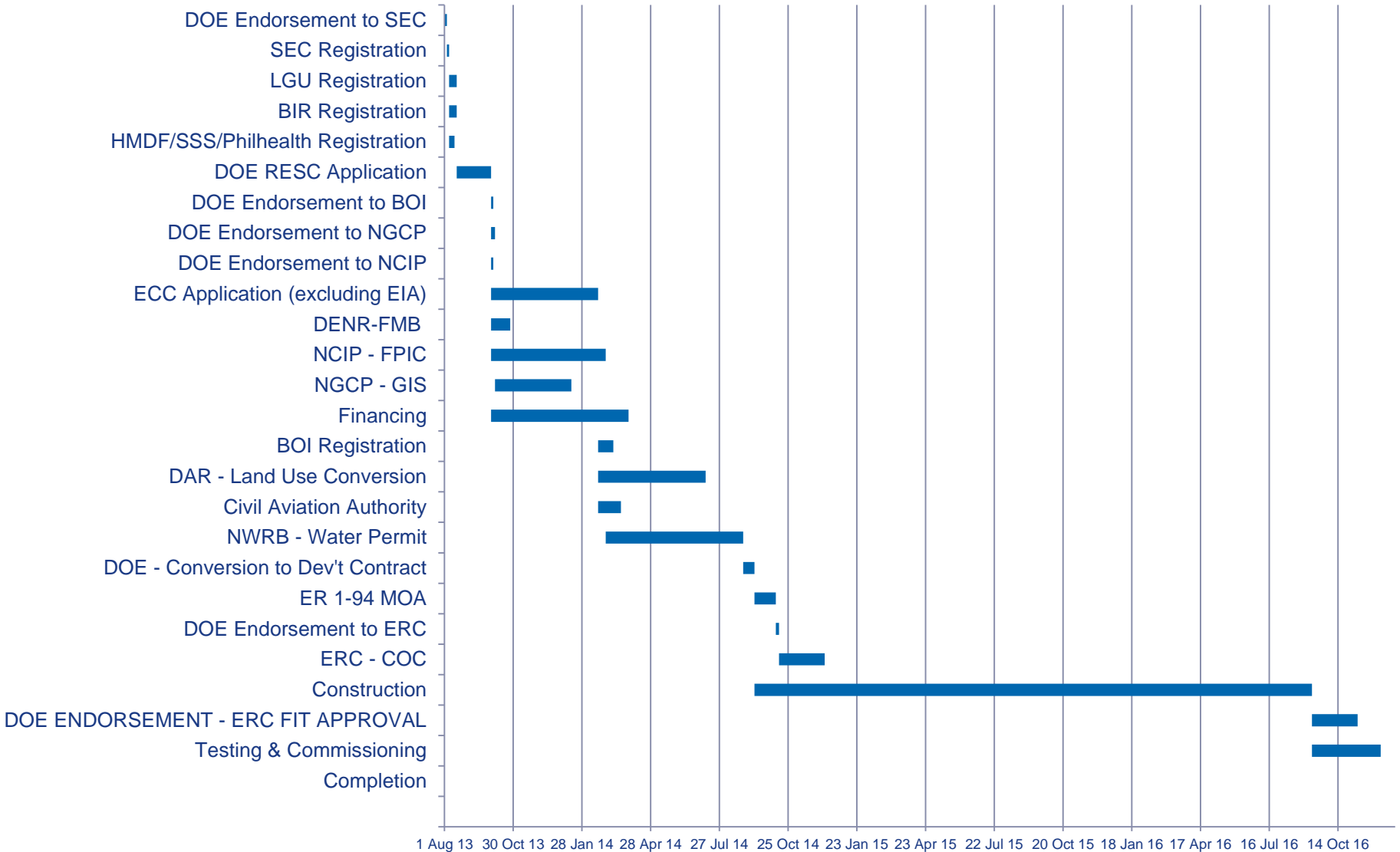


Main Feature

- **Creation of the Energy Investment Coordinating Council (EICC)**
 - **Classification of Energy Projects of National Significance (EPNS)**
 - **Establishment of a simplified approval process and harmonize the relevant rules and regulations of all government agencies**
 - **Preparation of rules governing the resolution of inter-agency issues affecting the timely and efficient implementation of EPNS**
 - **Maintenance of a database of information and web-based monitoring system**



Timeline of Project Implementation (RE Power Projects)



Energy Investment Coordinating Council (EICC)

Spearhead and coordinate national government efforts to harmonize, integrate and streamline regulatory processes, requirements and forms relevant to the development of energy investments in the country

Call on other agencies and government instrumentalities whose participation in the EICC may be deemed necessary

Composition:

Department of Energy - Chair

Department of Environment and Natural Resources (DENR)

National Electrification Administration (NEA)

National Grid Corporation of the Philippines (NGCP)

National Power Corporation (NPC)

National Transmission Corporation (NTC)

Department of Finance (DOF)

Department of Justice (DOJ)

Department of Transportation (DOTr)

Housing and Land Use Regulatory Board (HLURB)

Palawan Council for Sustainable Development (PCSD)



Energy Project of National Significance (EPNS)

Major energy projects for power generation, transmission and/or ancillary services including those required to maintain grid stability and security, identified and endorsed by the DOE as “project of national significance” that are in consonance with Philippine Energy Plan

Baseline in the Processing of EPNS

- *Presumption of Prior Approvals*
- *Action within 30 days*



Energy Project of National Significance (EPNS)

Qualifications of EPNS:

- **Capital investment of at least P3.5 Billion**
- **Contribution to the country's economic development**
- **Consequential economic impact**
- **Potential contribution to the country's balance of payments**
- **Impact on the environment**
- **Complex technical processes and engineering designs**
- **Infrastructure requirements**



Immediate Steps and Requirements

- DOE as Chair to convene EICC within 30 days from the effectivity of EO
- Organize Secretariat headed by DOE
- EICC to submit the ECC guidelines for EPNS within 60 days of the effectivity of the EO.
 - DENR to formulate guidelines for discussion with EICC

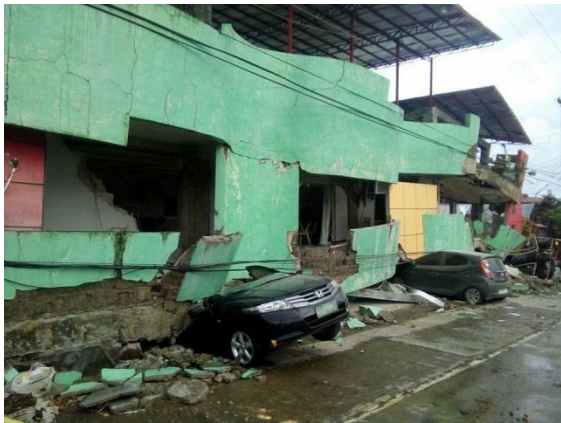


ENERGY RESILIENCY POLICY



Leyte Earthquake

- At around 4:00 PM, 6 July 2017, a magnitude 6.5 earthquake occurred in Jaro, Leyte causing power interruptions in Leyte, Samar and Bohol, Cebu and other areas in Visayas.



Effects of Disaster in Power Sector

	Super Typhoon “LAWIN” (i.n. Haima) October 2016	Typhoon “Nina” (i.n. Nock-Ten) December 2016
Affected Electric Cooperatives	14	16
Number of Municipalities/Cities	241	178
No. of Barangays	5,359	5,428
No. of Affected Households	1,252, 076	1,683,012



Effects of Disaster



- Hampers delivery of services
- Casualties
- Lost of livelihood
- Damage
 - Repair cost
 - Reconstruction cost
- Losses
 - Foregone income
 - Higher operating costs
 - Unexpected expenses
- Impact on macroeconomic, social, environmental and disaster risk



Executive Order No. 29

“Renaming the National Disaster Consciousness Month to National Disaster Resilience Month and Shifting Focus from Disaster Awareness Building to Disaster Resilience”



THEME: “4Ks: Kamalayan sa Kahandaan, Katumbas ay Kaligtasan”

#ResiliencePH



Executive Order No. 29

- To promote the significance of disaster resilience
- Supports the vision of “safer, adaptive and disaster-resilient Filipino communities towards sustainable development”



DOE Response

- Promotion of Energy Resiliency
- Policy on the adoption of resiliency planning and program in the energy industry to mitigate the adverse effects brought about by the disaster

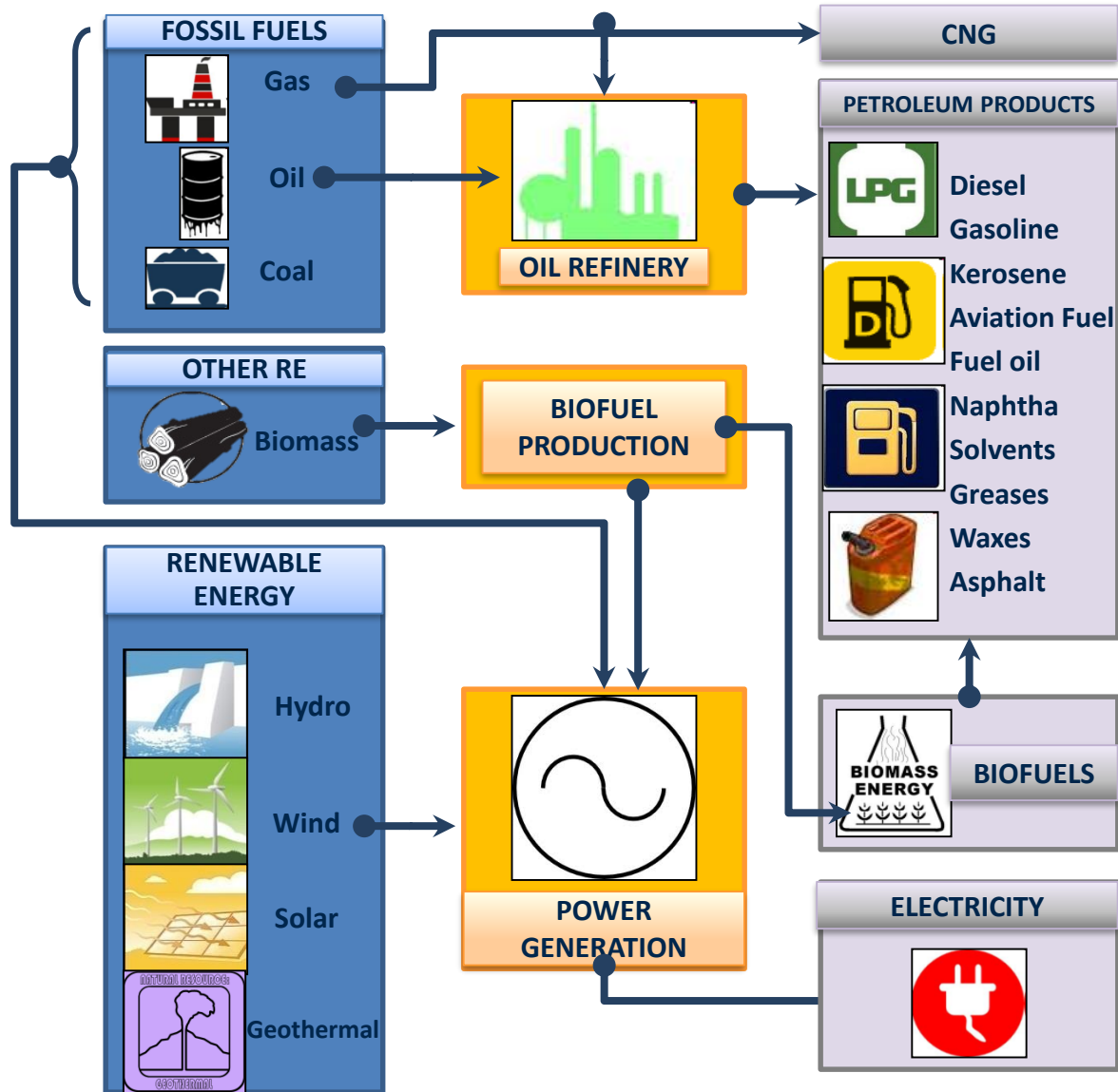


Resiliency Policy

- “Adoption of Resiliency Planning and Program in the Energy Industry to Mitigate Adverse Effects Brought About by Disasters”
- Guided by Republic Act 7638 or DOE Act and Republic Act 10121 or PDRRM Act
- Promotes planning and investment to ensure nation’s energy infrastructure continues to deliver while anticipating and reducing vulnerabilities



Scope and Application



Guiding Principles

- Strengthen existing infrastructure facilities to adapt to withstand adverse conditions and disruptive events;
- Incorporate mitigation improvements into the reconstruction and rehabilitation of damaged infrastructure in accordance to the Build Back Better principle;
- Improve operational and maintenance standards and practices to ensure expeditious restoration of energy supply in the aftermath of disruptive events; and
- Develop resiliency standards for future construction of energy facilities to ensure minimal damage and adoption of measures in place for timely recovery and restoration of energy supply.



Energy Resiliency Compliance Program (ERCP)

Contains adaptation measures which includes engineering and non-engineering options, to gauge infrastructure and human resource preparedness during and in the aftermath of disruptive events.

The RCP shall be divided into:



Strengthening
Infrastructure



Stockpiling



Systems



Response and
recovery



Energy Resiliency Compliance Program Template

Stronger Projects & Programs	Name	Description	Benefit	Start Date	Completion Date	Total Cost	Yearly Disbursement
Infrastructure							
System							
Stockpiling							
Response and Recovery							



Next Steps

To Finalize the DOE Policy

- Public consultation on 3rd and 4th quarter of 2017

Area	Indicative Dates
NCR	PICC; July 12, 2017
Luzon	3 rd Quarter (Batangas)
Visayas	3 rd Quarter (Leyte)
Mindanao	4 th Quarter (Cagayan de Oro)

- Issuance of policy in December 2017



Next Steps

DOE Policy on resiliency to pave the way for

- Updating of the National Energy Contingency Plan
- Improvement and development of Disaster Protocols
- Revision of specification, design and construction standards
- Adoption of best practices
- Sharing of information on energy infrastructure technology advancements and innovations



DOE -Task Force on Disaster Resilience

- Shall ensure the engagement of the Inter-Agency Task Force on Securing Energy Facilities composed of TransCo, PNP, AFP, DOJ, NGCP and NICA
- Responsible in coordinating with other government agencies and/or private institutions for the development and adoption of the identified resiliency programs



Call for Comments

Request for comments on the draft Resiliency Policy entitled “Adoption of Resiliency Planning and Program in the Energy Industry to Mitigate Adverse Effects Brought About by Disasters”

Comments will be accepted at this email address:

doe.eppb@doe.gov.ph

Copy is downloadable at DOE website:

www.doe.gov.ph



Maraming Salamat Po!

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