

# Energy Investment Forum and Stakeholders Conference

October 3, 2017

Davao City



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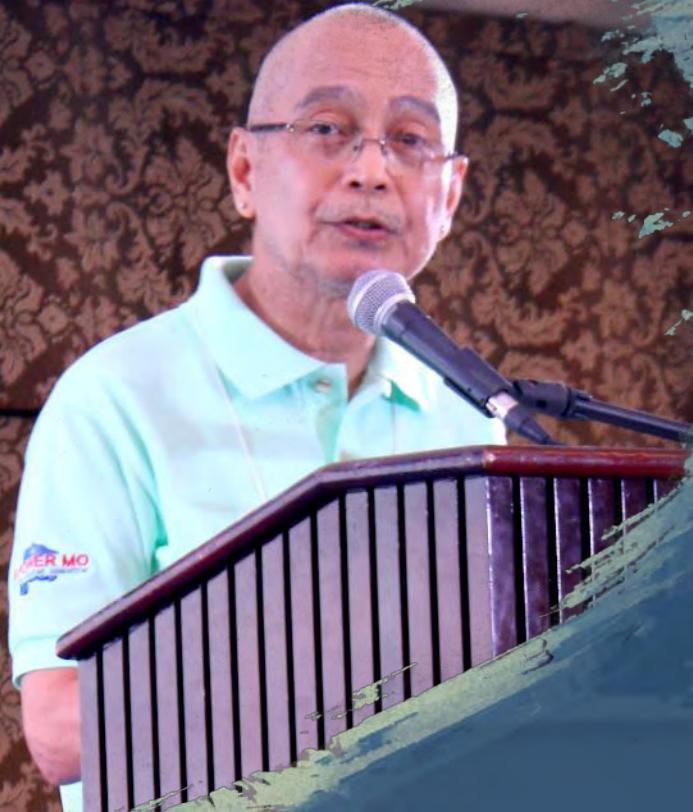
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# Welcome Remarks

*“We would like to see close interaction and participation among our stakeholders in order to propel energy development and ensure sustainable, stable, secure, sufficient, accessible and affordable supply of power in Mindanao”*

*Dir. Manuel M. Llaneza*

*Mindanao Field Office  
Department of Energy*



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# Keynote Address

“The government is working on a vision to transform our country to an upper middle-income economy by 2022 :  
The ‘golden age of infrastructure’ –  
**DUTERTENOMICS!**”

Message from  
**Secretary Alfonso G. Cusi, DOE**  
as delivered by **Usec Wimpy Fuentesbella**



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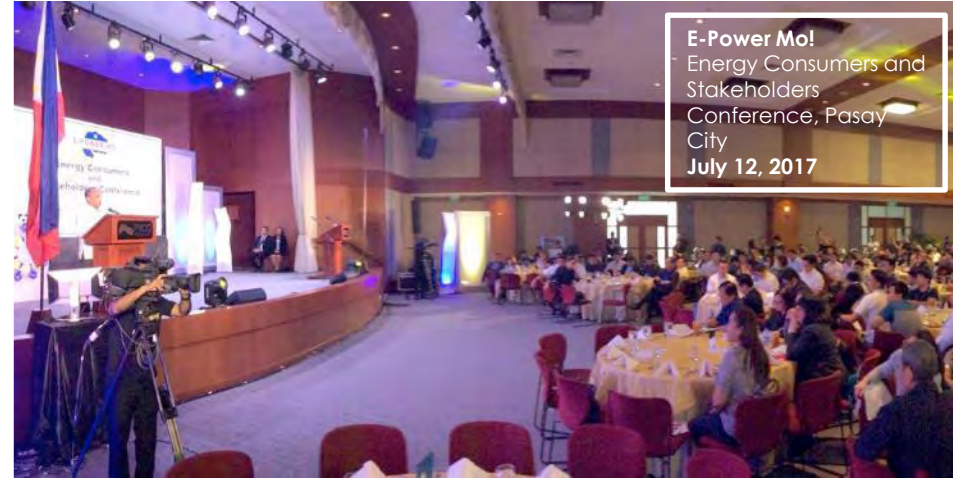
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**E-Power Mo!**  
Energy Consumers and  
Stakeholders  
Conference, Cebu City  
September 6, 2017



**E-Power Mo!**  
Energy Consumers and  
Stakeholders  
Conference, Pasay  
City  
July 12, 2017



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## Energy Programs and Investment Opportunities



“

*Sa pag unlad ng ating bansa, kailangan natin tingnan ano ang ating mga pangangailangan at dapat tapatan nang tamang supply ng enerhiya.*

*- Usec. Felix William Fuentebella, DOE*

”



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# Energy Programs and Investment Opportunities

1. Ensure Energy Security

2. Expand Energy Access

3. Promote a low carbon future

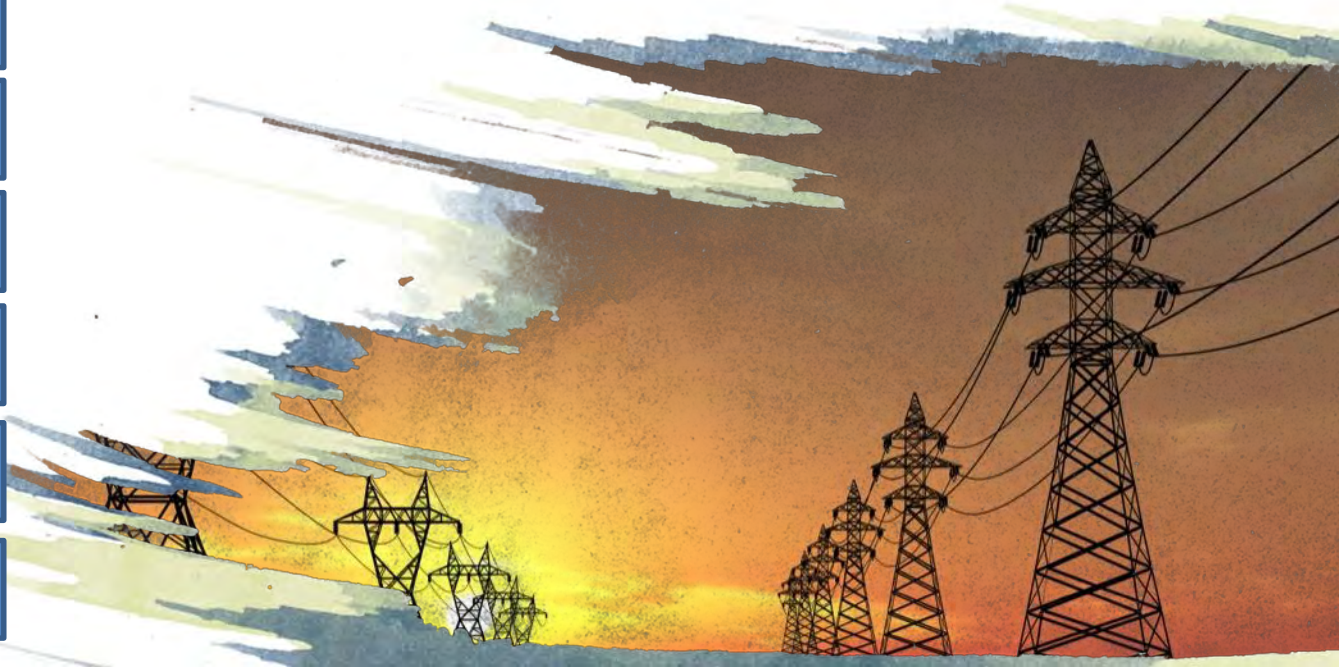
4. Strengthen collaboration among all government involved in energy

5. Implement, monitor and integrate sectoral and technological roadmaps and action plans

6. Advocate the passage of the Department's legislative agenda

7. Strengthen consumer welfare and protection

8. Foster stronger international relations and partnerships



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# Mindanao's Power Supply and Energy Demand Outlook



**Asst. Sec. Redentor E. Delola**  
Department of Energy



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“

All our initiatives are in line with the DOE's thrust in achieving quality, reliable, affordable and a secured energy supply. We are also ensuring electricity access for all Filipinos and a transparent and fair playing field in the power industry

Redentor Delola,  
Assistant Secretary,  
DOE

”

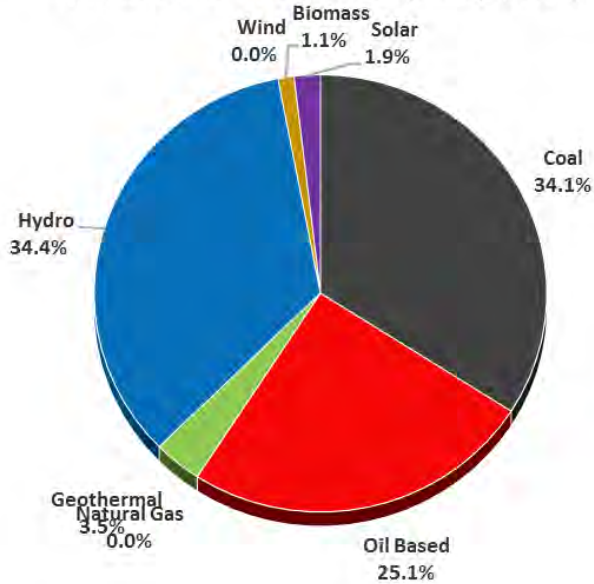
## Mindanao's Power Supply and Energy Demand Outlook



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MINDANAO - Installed Capacity (MW)



**Capacity > Demand**

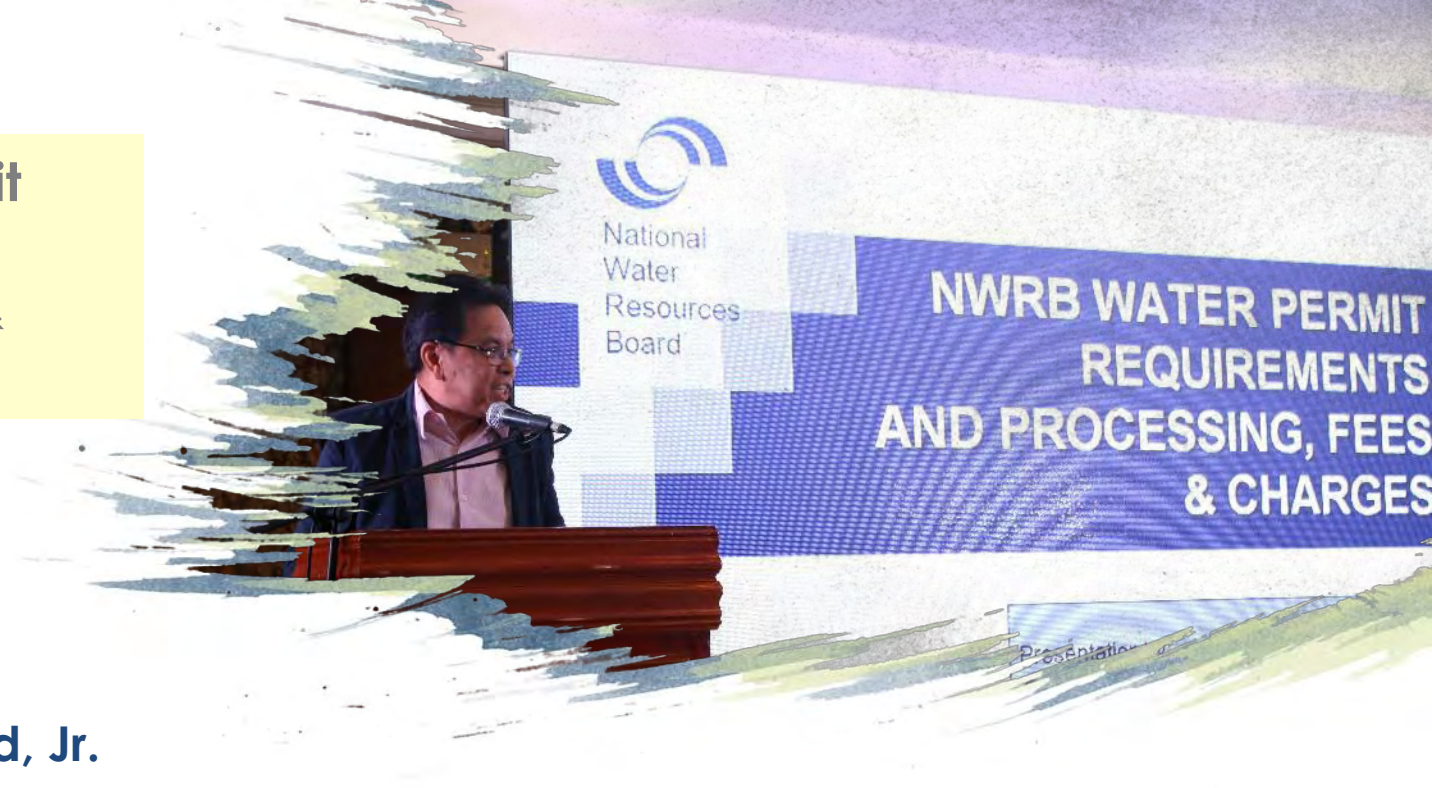
**WESM Mindanao**

**Task Force Duterte Lanao del Sur**

**Task Force Bangon Marawi**



# NWRB Water Permit Requirements and Processing, Fees & Charges



**Dr. Seville D. David, Jr.**

Executive Director

NWRB



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“

Actions on managing our country's water resources for sustainable development is an everybody's business. Responsible use of water must be applied for everybody. The time for action is now.

Dr. Seville D. David Jr.  
National Water  
Resources Board

”



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# NWRB Water Permit Requirements and Processing, Fees & Charges

- Legal Framework – The Water Code of the Philippines (PD 1067)
- Mandates on NWRB
- Water Rights System as a Tool for Water Resources Allocation
- Process on Securing Water Permits
- NWRB Policies on Hydropower



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**LGU Guarantee Corporation's Financing Facility for Energy Projects**



**Mr. Allan D. Belgica**

Relationship Management Department  
Head, LGU Guarantee Corporation



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## LGU-GC's Financing Facility for Energy Projects



“

The guarantee program paved the way to local banks invest in the energy sector which was perceived to be high risk.

Mr. Allan D. Belgica  
Relationship Management  
Department Head, LGU Guarantee  
Corporation

”



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# LGU Guarantee Corporation's Financing Facility for Energy Projects

- Linking public-private partnerships for local development financing
- Mobilize resources of the private sector toward financing local development projects
- Policy reforms for LGU debts (bond floatation, direct loans)
  - Credit guarantee
  - Credit rating
  - Collaboration with NGA
  - Relationship management with financial institutions
  - Guarantee Program Management



## WHAT LGUGC DOES



CREDIT GUARANTEE



GUARANTEE PROGRAM MANAGEMENT

# LGUGC



CREDIT RATING



RELATIONSHIP MANAGEMENT



COLLABORATION WITH NATIONAL GOVERNMENT



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# Experience of Therma South, Inc. in the Implementation of an Energy Project



**Mr. Sebastian Lacson**

President and COO, Therma South, Inc.



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**Experience of  
Therma South,  
Inc. in the  
Implementation  
of an Energy  
Project**



“

What's important is to give preference to the host community. Here in Davao del Sur where our plant is located, today there are 25 out of 130 employees that are from neighbouring barangays.

Mr. Sebastian Lacson  
President and COO  
Therma South, Inc.

”



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**THERMA SOUTH, INC.** or **TSI** owns and operates the 300-megawatt (2 x 150 MW) thermal power plant

## Experience of Therma South, Inc. in the Implementation of an Energy Project

### Key Strategies & Approaches

1. Identify and regularly engage stakeholders
2. During construction phase, require contractors to give preference to applicants from the host communities
3. Work with legitimate community leaders.
4. Be sensitive to the aspirations of the local community
5. Build the community's ownership of the project.
6. Treat them as oppositors, but not as enemies.
7. Build the trust of the community.



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BREAKOUT  
SESSION 1  
**DOWNSTREAM  
OIL AND  
NATURAL GAS**

Moderator :  
Dr. Alvin Culaba

BREAKOUT  
SESSION 2  
**UPSTREAM  
SECTOR**

Moderator :  
Mr. Arnulfo  
Robles

BREAKOUT  
SESSION 3  
**RENEWABLE  
ENERGY SECTOR**

Moderator :  
Mr. Bonar  
Laureto

BREAKOUT  
SESSION 4  
**POWER SECTOR**

Moderator :  
Mr. Enrique  
Gallardo

BREAKOUT  
SESSION 5  
**ALTERNATIVE  
FUELS and  
ENERGY  
EFFICIENCY  
SECTOR**

Moderator :  
Ms. Jeanette  
Laurente

BREAKOUT  
SESSION 6  
**CONSUMERS**

Moderator :  
Ms. Diwata  
Paredes



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## Objectives

1. To inform/educate the public of the policies, plans and programs;
2. To strengthen partnership with stakeholders;
3. To enhance its Communication Plan with the assistance of stakeholders

Breakout Session 1

# Downstream Oil and Natural Gas Sector

Downstream Oil and Natural Gas Stakeholders



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# Relevant 9-Point Agenda

Developing LNG needs for the future in anticipation of the Malampaya depletion

Build a “common carrier” LNG infrastructure for a future “Clean Energy City”



- Expand the natural gas supply source, improve the market, develop critical infrastructures, establish public-private partnership and develop skills and competencies to manage the industry
- Potential supply is importation of natural gas and the need to put up the required infrastructure



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# Relevant 9-Point Agenda

- Philippine National Standards formulation, development and implementation
- Regular conduct of compliance monitoring



# Relevant 9-Point Agenda

Pro-consumer distribution framework for affordability, choice and transparency

Sustain public awareness and consumer welfare protection



- Make 'consumer safety' a way of life
- Take immediate action against illegal and unsafe practices
- Take a strong public position on its support to stop illegal activities
- Pass and implement local ordinances that will support the implementation of DOE rules and regulations on petroleum products and facilities



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The DOE appeals to the LGUs and business sector to take a strong public position to stop illegal activities and implement local ordinances that support rules and regulations on petroleum products and facilities.

Do not patronize violators!

- Engr. Renante M. Sevilla  
Oil Industry Standards and Monitoring Division, OIMB, DOE



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## Session 2

# Upstream

## (Petroleum & Coal Sector)

Target Audience: Petroleum service contractors, coal operating contractors, stakeholders, industry partners, law enforcement agencies, and LGUs

### Objectives

- To introduce the Philippine Conventional Energy Contracting Program (PCECP).
- To address concerns and inquiries on the PCECP
- To seek comments on the Proposed Department Circulars for Awarding Coal Operating Contracts and Petroleum Service Contracts
- To formulate action plan/way forward/timeline for addressing issues and concerns.



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# Key Strategy

- Implement the Philippine Conventional Energy Contracting Program (PCECP)

Philippine  
Conventional  
Energy  
Contracting  
Program  
(PCECP)

Streamlining  
Domestic  
Policy  
to Cut Red  
Tape



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# Key Strategy

- To secure investment through competitive and transparent licensing of areas for coal and petroleum exploration in pursuit of energy security and sustainability through effective and reasonable development of all indigenous energy resources in the country

Improving The  
Supply of  
Power That is  
Reliable, to  
Meet Demand  
Needs By 2040

Investment  
Opportunities  
in the  
Upstream  
Sector



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# Key Strategy

Fossil Fuels  
provide  
baseload  
capacity to  
the power mix

Adopting a  
Technology  
Neutral  
Approach for  
an Optimal  
Energy Mix

- Update Resource Assessment through conduct of exploration activities (e.g. drilling, seismic surveys, geological/geophysical exploration)



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*The PCECP will encourage our stakeholders to invest, explore, develop and produce our resources for energy security and resilience.*

- Mr. Demujin F. Antiporda  
Supervising SRS  
Petroleum Resources  
Development Division



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# Renewable Energy Sector

## Target Audience

- General Public/Consumers
- Distribution Utilities/Electric Cooperatives, Electricity End-users
- Local Government Units
- Renewable Energy Developers and Power Generator Companies,

## Objectives

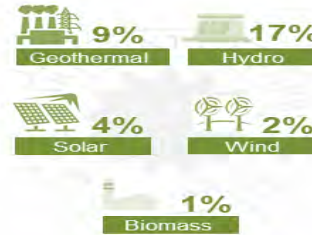
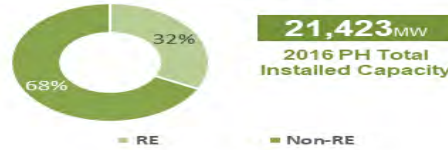
- To educate the general public on the existing policies, and plans and programs for the country's Renewable Energy Sector
- To strengthen partnership with all energy stakeholders;
- Inform energy stakeholders and consumers on the current government policy on renewable energy development



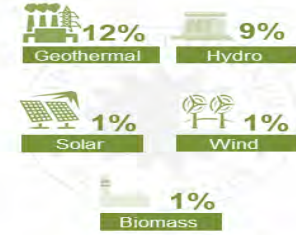
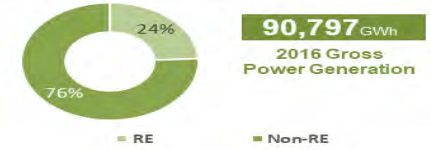
# Status of Renewable Energy Development in the Philippines

- Since the implementation of the RE Act of 2008, there has been a total of 845 awarded RE projects and an estimated installed capacity of 21,423 mW of RE.
- Renewable Energy Installed Capacity as of 2016 is amounts to 32% of total installed capacity.
- RE accounted for 24% of the 90,979 GWh total gross power generation for the year 2016

## PH Installed Capacity 2009 - 2016



## PH Gross Power Generation 2009 - 2016



### AWARDED PROJECTS UNDER RE LAW

RESOURCES	AWARDED PROJECTS		POTENTIAL CAPACITY MW		INSTALLED CAPACITY MW	
	Commercial	Own-Use	Commercial	Own-Use	Commercial	Own-Use
Hydro Power*	451		13,513.63		965.04	
Ocean Energy	6		26.00			
Geothermal**	41		575.00		1,906.19	
Wind	59	1	2,341.50		426.90	0.0006
Solar	196	16	5,567.27	4.286	900.18	3.218
Biomass	51	24	326.68	16.15	389.58	126.78
<b>Sub-Total</b>	<b>804</b>	<b>41</b>	<b>22,350.08</b>	<b>20.436</b>	<b>4,587.89</b>	<b>130.00</b>
<b>TOTAL</b>	<b>845</b>		<b>22,370.52</b>		<b>4,717.89</b>	



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# Renewable Energy Development Efforts

## Implement the Renewable Portfolio Standards (RPS)

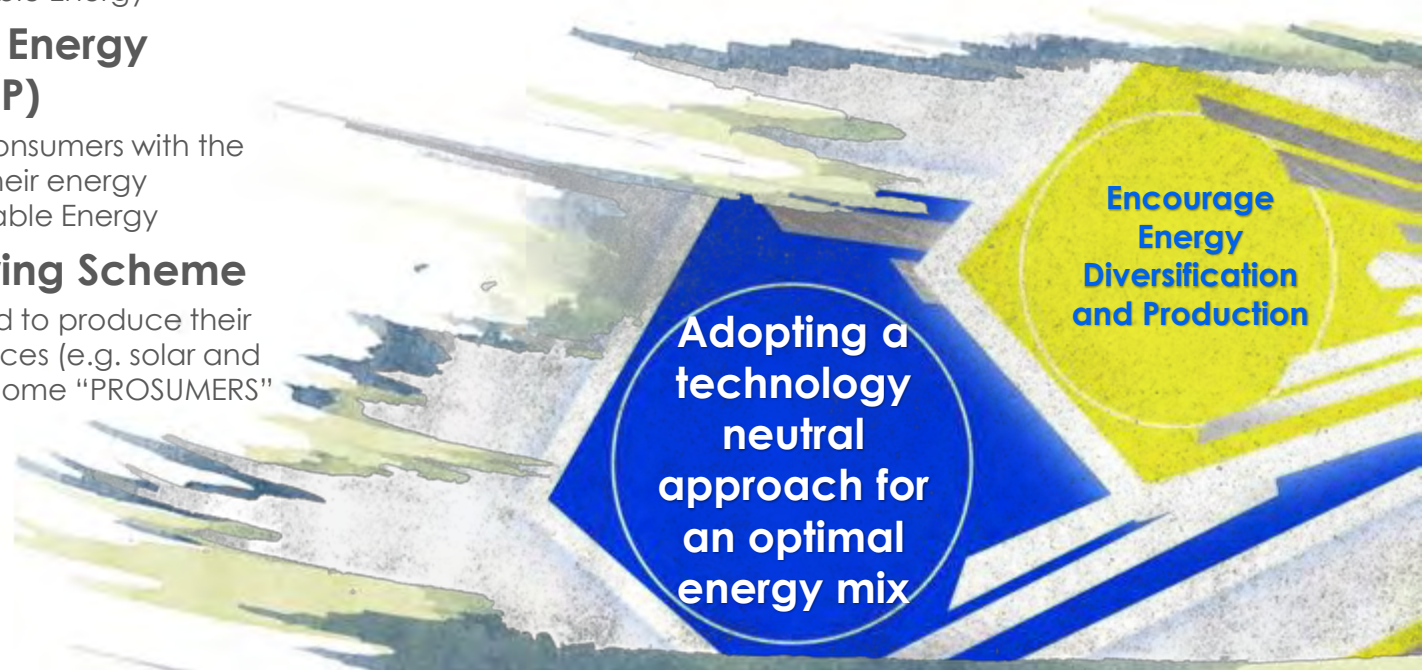
- Provides electric power consumers with the option to directly source their energy requirements from Renewable Energy

## Implement the Green Energy Option Program (GEOP)

- Provides electric power consumers with the option to directly source their energy requirements from Renewable Energy

## Expand the Net Metering Scheme

- Consumers are encouraged to produce their own electricity from RE sources (e.g. solar and biomass) and therefore become "PROSUMERS"



Adopting a technology neutral approach for an optimal energy mix

Encourage Energy Diversification and Production



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# The Power of Choice

## Expand the Net Metering Scheme

- Net Metering would empower the energy consumers and the general public to produce their own renewable energy power based on their respective demand requirements

## Implement the Green Energy Option Program (GEOP)

- The GEOP is a Renewable Energy Policy Mechanism that would provide the end-user/consumer the option to choose RE resources as their source of energy would



Pro-Consumer  
distribution  
framework for  
affordability,  
choice and  
transparency

Encourage the  
Power of Choice  
among  
consumers



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*“To inform the stakeholders on the application, processing, awarding and monitoring of Renewable Energy Service Contracts to further the promotion, development, and utilization of Renewable Energy resources in the country.”*

## Overview on the Administrative Procedures in Awarding of RESC



Streamlining domestic policy to cut red tape

Expedite RE Processing thereby increasing supply options for the consumers



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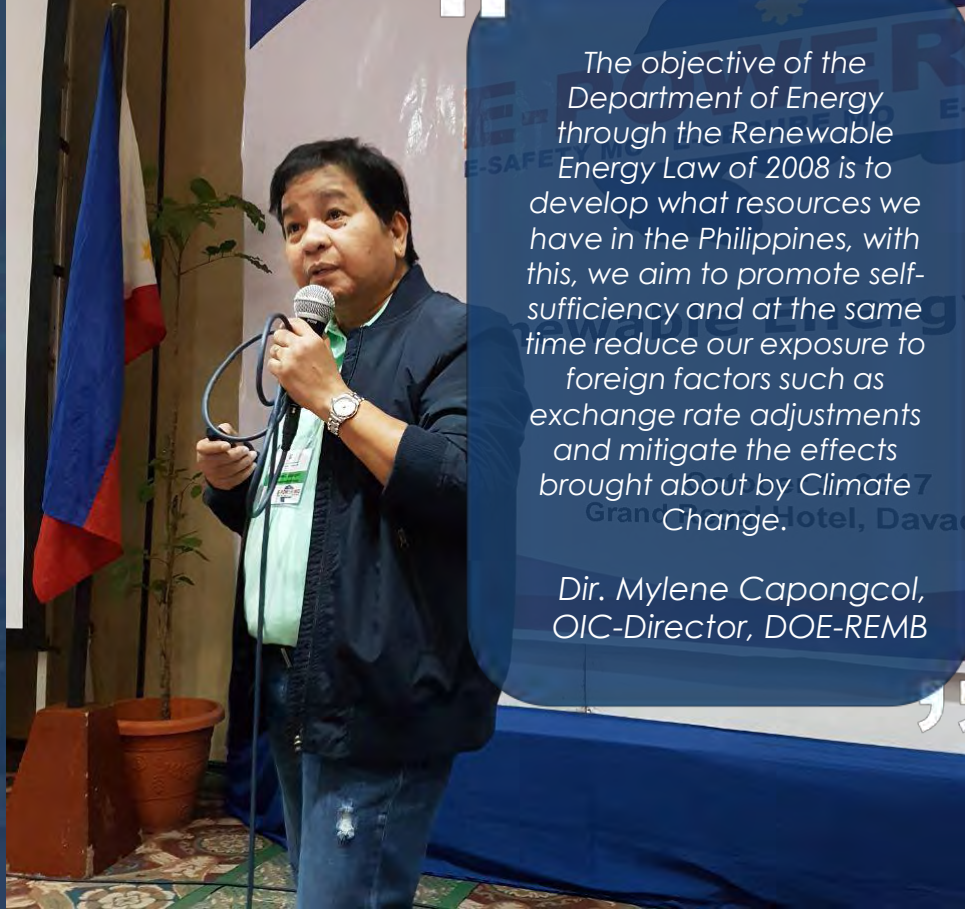
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The objective of the Department of Energy through the Renewable Energy Law of 2008 is to develop what resources we have in the Philippines, with this, we aim to promote self-sufficiency and at the same time reduce our exposure to foreign factors such as exchange rate adjustments and mitigate the effects brought about by Climate Change.

Dir. Mylene Capongcol,  
OIC-Director, DOE-REMB



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# Power Sector

Target Audience:

Local Government Units, Distribution Utilities, Indigenous People, Government Offices, Non-Government Offices, Civil Society Group

## Objectives

- To take into account the stakeholder's inputs/comments about the topics presented
- To facilitate discussion & sharing of experiential learning about the proposed amendment
- To include the public and other related groups in the improvement of existing policies and development of new policies that would expand the operational application of the ER 1-94 program with the end view of attaining equitable, sustainable & inclusive sharing of benefits.



INDI  
GEN  
OUS  
PEOPLE



Photo courtesy of Foundation for Philippine Environment





# 9-Point Energy Agenda

Access to basic electricity for all Filipinos by 2022

Enhancement of Energy Regulation (ER) No. 1-94 IRR to support total household electrification

- Strengthen partnerships among DOE, Distribution Utilities/Electric Cooperatives, Private Sector, and Communities for the effective implementation of household electrification initiatives



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# 9-Point Energy Agenda

- Broaden the Policy Framework for equitable, sustainable and inclusive sharing of financial benefits under the program

Enhancement of Energy Regulation (ER) No. 1-94 IRR to support total household electrification

Access to basic electricity for all Filipinos by 2022



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# Session 4 Gallery



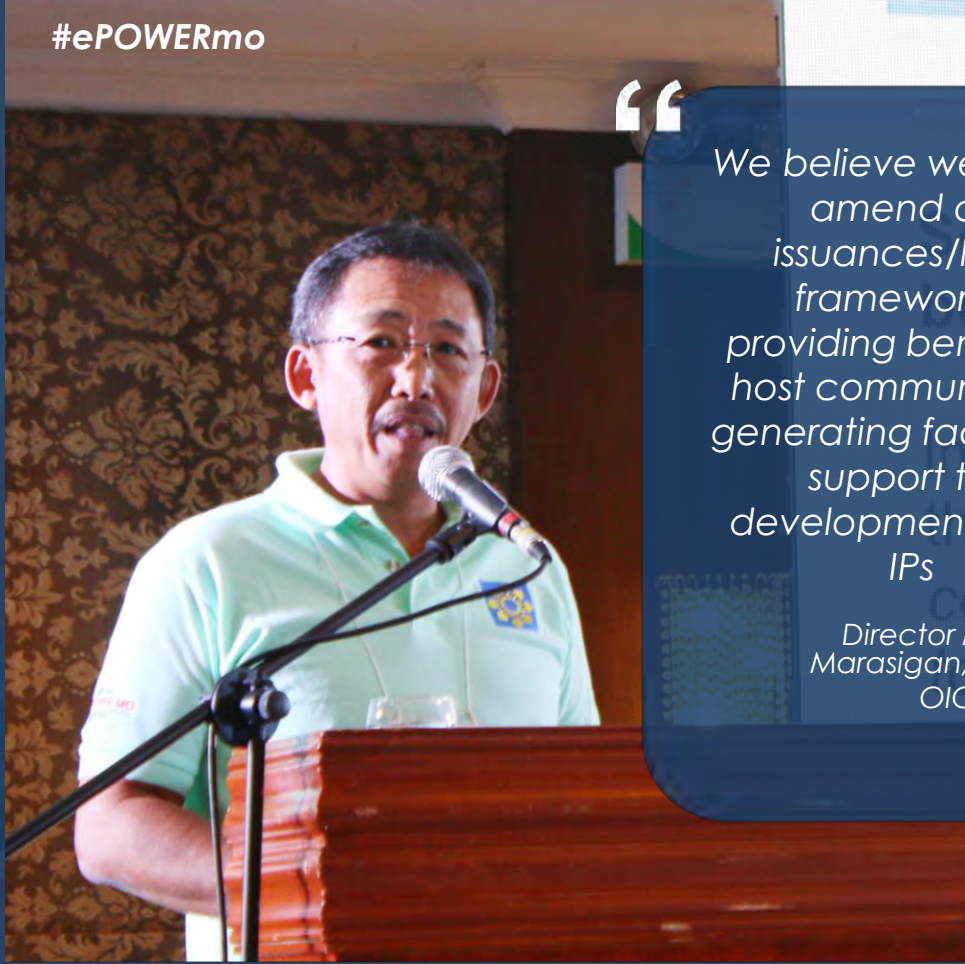
I. MOA to be entered with DOE include the Generation Company, the indigenous cultural communities of the concerned Ancestral Domains/ Land, and NCIP to access the ER 1-94 funds for Development, Livelihood, Reforestation, Watershed Management Health and

II. Environmental Enhancement Projects



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“

We believe we should amend our issuances/legal framework in providing benefits to host communities of generating facilities to support the development of the IPs

Director Mario C. Marasigan, CESO III  
OIC - EPIMB

”



## Session #5

# Alternative Fuels and Technology and Energy Efficiency

Industry, Commercial, LGUs,  
Academe

### Objectives:

- To present and get comments/suggestions on the Energy Efficiency and Conservation Roadmap 2017-2040;
- To involve concerned sectors and energy efficiency advocacy groups in the development of new policies and/or strengthen existing policies to increase energy efficiency investments (technology, services, financing, etc.)
- To present and explain the benefits of practicing Energy Management System and the Energy Management Standard: ISO 50001; and
- To explain the United Nations Industrial Development Organization's Philippine Industrial Energy Efficiency Project.



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# Alternative Fuels and Energy Technologies Roadmap

## GOAL:

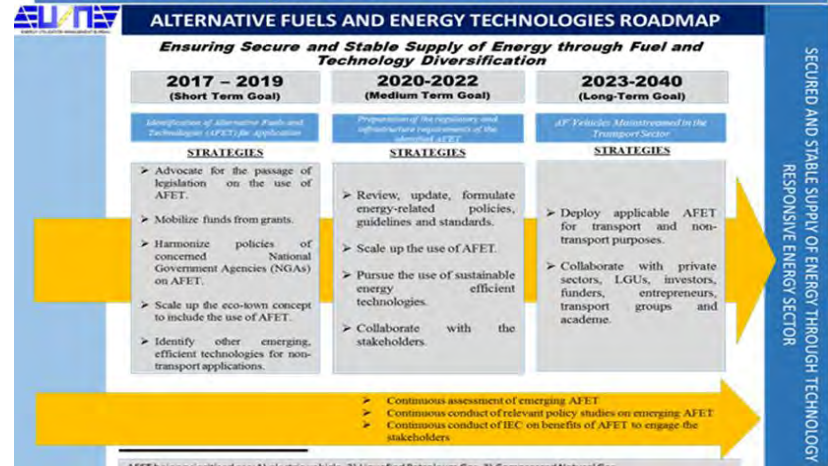
To ensure stable supply of energy through fuel and technology diversification with focus on EV, LPG, CNG, LNG, hybrid EV and other non-transport energy technologies



## Energy Efficiency and Conservation Roadmap

Philippines  
2017-2040

## AFET Roadmap 2017 - 2040



## Energy Efficiency and Conservation Roadmap

## GOAL:

Measurable reduction in energy intensity consumption across key economic sectors



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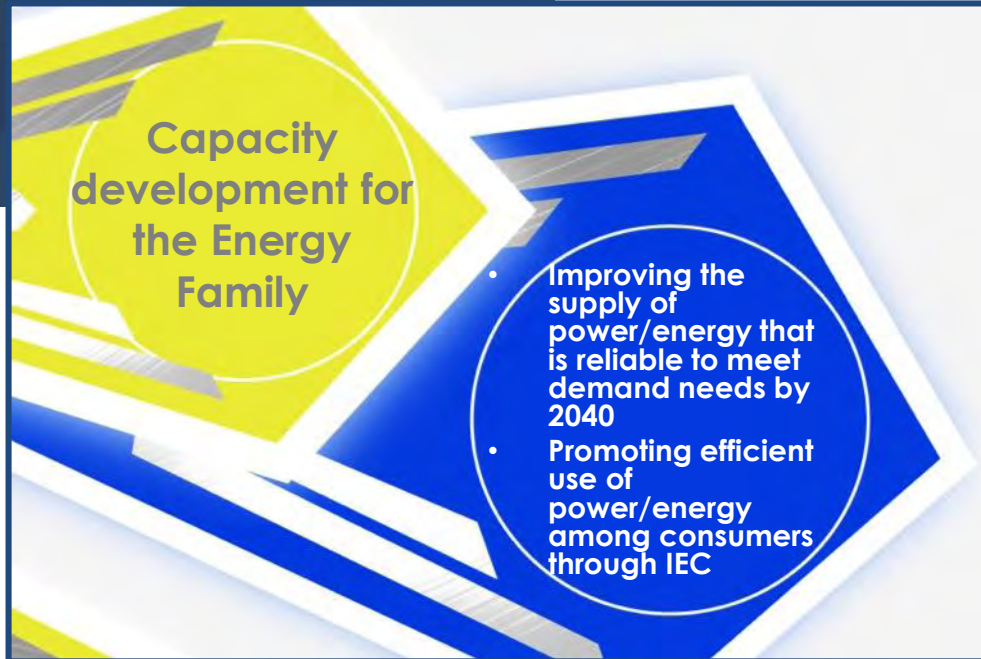
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# Top 3 Priority Strategies

- Creating public buy-in
- Providing enabling market environment
- Sustaining the growth of local use



# Relevance to DOE's Energy Lantern



- **Promote the implementation of the Energy Efficiency and Conservation Roadmap 2017-2040**
  - highlights the national and international policy cohesion and various policy instruments
- **Enhancement of local manpower capacity building**
  - partnership with SUCs/TESDA for skills development and technology transfer
- **Promotion of use of Energy Management System (EnMs) along with System Optimization Approach for improvement of industrial energy efficiency**



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Intensify public awareness and consumer welfare protection

Promoting efficient use of power/energy among consumers through IEC


## Key points

- **Nationwide IECs for the promotion of new generation and indigenous energy technologies/innovations and promotion of energy efficiency (EE) strategies**
- **Implementation of the Government Energy Management Program (AO 110)**
  - conducted survey to government buildings to know the potential energy savings
  - retrofitting of lighting system and replacement of air-conditioning
  - inclusion of EE measures in residential building code in LGUs



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**Pursue  
energy  
resource**

**Promoting  
efficient use of  
power/energy  
among  
consumers  
through IEC**

## Key points

- **Introduction of advance, low-emission and environment-friendly energy technologies**
  - diversification of fuel supply
  - investment for infrastructure and facilities
  - promotion of alternative fuels and more efficient technologies
  - formulation of comprehensive energy technology development and adoption plan
- **Promotion of low carbon (energy efficiency) strategies**
  - energy smart cities, green building program, minimum energy performance standards, energy standards and labeling program



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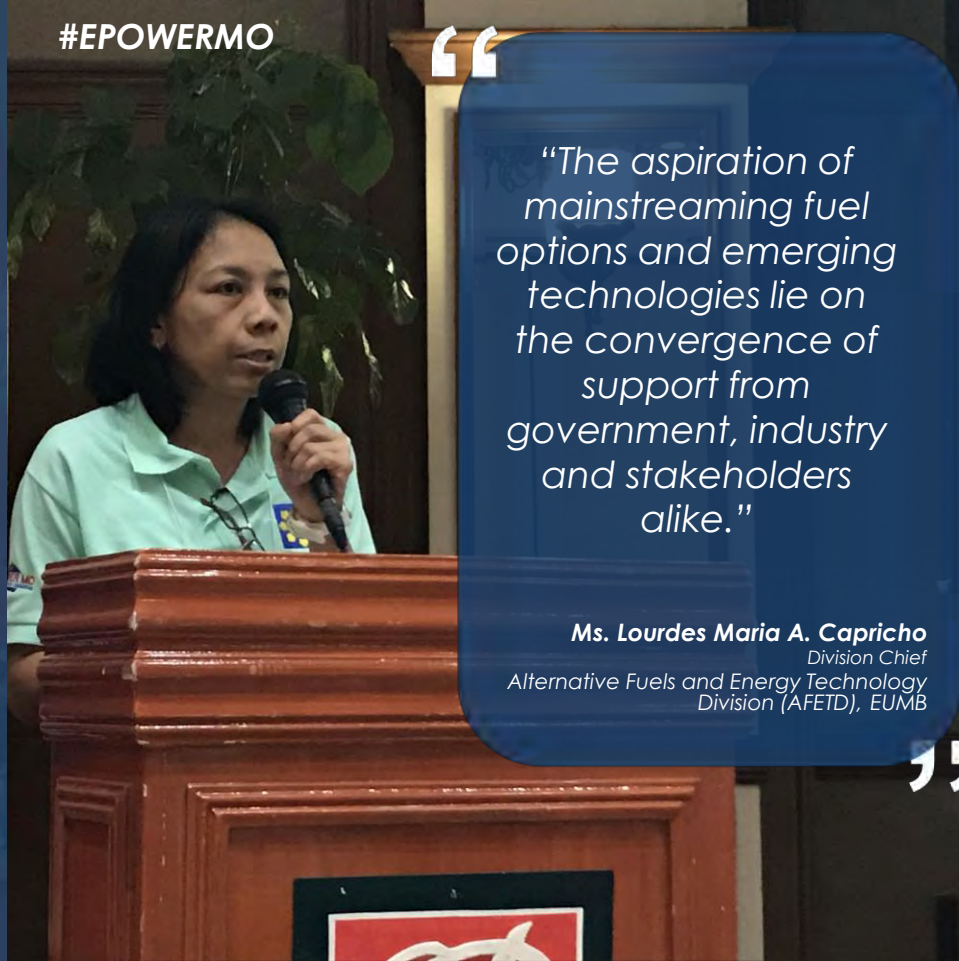
“The aspiration of mainstreaming fuel options and emerging technologies lie on the convergence of support from government, industry and stakeholders alike.”

**Ms. Lourdes Maria A. Capricho**

*Division Chief*

*Alternative Fuels and Energy Technology  
Division (AFETD), EUMB*

”



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“There are certainly many ways to use energy judiciously and efficiently, but the most important of all is to use energy with sense.

**Energy Sense, Save Cents, Saves Energy, Mitigate Climate Change”**

**Mr. Artemio P. Habitan**

OIC-Division Chief  
Energy Efficiency & Conservation Division,  
(ECCD) EUMB



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“The alternative fuel and energy technology and energy efficiency programs are strategies for energy security, strategies for self-sufficiency and programs for indigenous energy development.”

**Dir Jesus T. Tamang**

Director IV

Energy Utilization Management Bureau,  
Department of Energy (EUMB-DOE)

”



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Breakout Session 6

# Consumers

Faculty and Students

- To create awareness on Gender and Development as mainstreamed in the Energy Sector
- To create awareness among consumers of their rights and responsibilities
- To enhance the knowledge of students on energy-related topics involving the energy supply chain, energy safety and efficiency



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Mainstreaming  
Gender and  
Development in  
the energy  
sector

Promoting  
Efficient Use  
of Power  
Among  
Consumers  
Through an  
IEC

- Conduct of **Information, Education and Communication (IEC) campaigns on Energy Safety Practices & Efficiency Measures (ESPEM)** nationwide
- Implements projects such as **ENEReady, Girls and Science, S&T Scholarship, EnerKids and EnerSmart**



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Understanding  
the Energy  
Supply Chain

Improving the  
Supply of Power  
that is Reliable  
to meet  
Demand needs  
by 2040

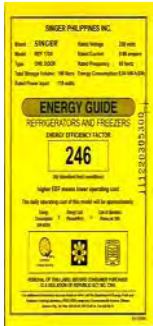
- Inform the consumers of the relationship of power demand and supply chain through the process of generation, transmission and distribution.
- Educate the consumers on how WESM works especially the Merit Order Table



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**Energy LABELS** or Energy Guides are colored yellow labels often seen in appliances and lighting products. It has numbers that shows how effective the power consumption of the equipment is.



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# Session 6 Gallery



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“

*Any energy saved  
redounds to the  
deferment of putting  
up another  
powerplant that eats  
up huge capital.*

*Dir. Araceli S. Soluta  
Financial Services Member,  
DOE-GAD Focal Point System*

”



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