



**RETAIL ELECTRICITY  
SUPPLIERS ASSOCIATION**

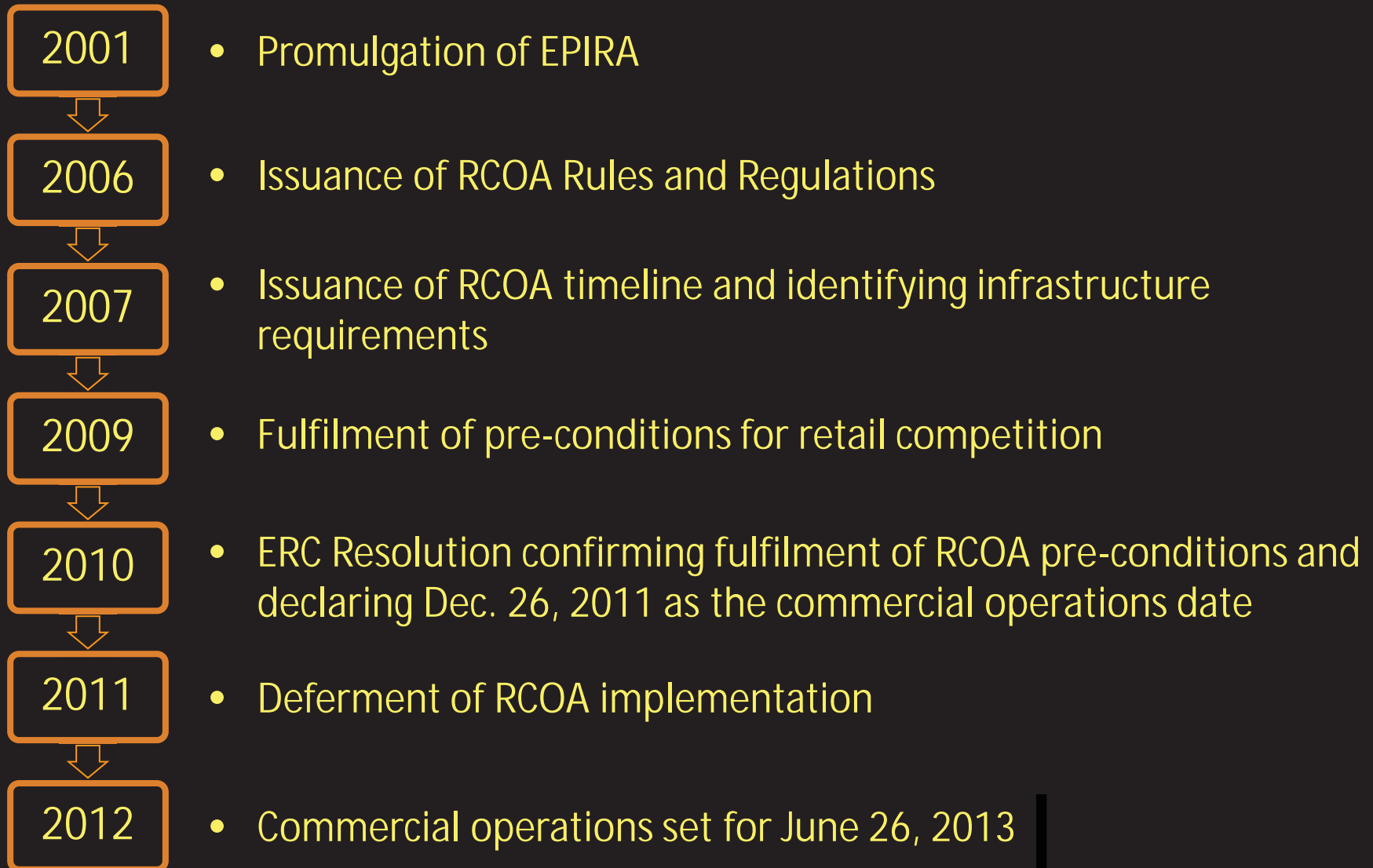


# Outline

- RESA on RCOA Implementation
- RESA on Improvement of RCOA Process
- RESA Comments
- RESA Recommendations

# RESA ON RCOA IMPLEMENTATION

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	CONTESTABLE CUSTOMER MARKET			
	LUZON		VISAYAS	
	NO. OF CUSTOMERS	DEMAND MW	NO. OF CUSTOMERS	DEMAND MW
MARKET CONTRACTED %	778	2,575	110	143
	227	797		
	29	31		
LICENSED RES LOCAL RES		17		
		21 (14 Luzon, 7 Visayas)		
LICENSED RES WITH CONTRACTS		12		

# RESA on RCOA Implementation

## RCOA INITIAL OPERATIONS STATISTICS

RESA Members	Generator Affiliate	DU Affiliate	End-User Affiliate	Total
	11	3	5	19
Members with Contracts	9	1	2	12

# RESA ON IMPROVEMENT OF RCOA PROCESS

# RESA on Improvement of RCOA Process

- Current provisions of the law are sufficient to encourage entry of new players in the energy sector as envisioned by EPIRA
- Retail Supply Sector has very short operation history to require substantial change in rules and regulations
- Improvement of current process rather than amendment of the existing law may better serve and address current industry status



# RESA COMMENTS

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Issue	Specific Provision Affected	Proposal
Differences between ERC, DOE and PEMC issued regulations.	DOE Circulars on RCOA Implementation; ERC issued guidelines on RCOA Implementation and PEMC Market Rules.	Creation of Working Group to involve stakeholders for the harmonization of existing regulations.
PEZA classified accounts participation on the Retail Market	Rules for Contestability promulgated by the ERC and PEZA guidelines on RCOA implementation	Creation of Working Group to involve stakeholders for the harmonization of existing regulations.
Tax applications for RES related transactions	Lack of BIR Regulations to detail tax applications for participants in the Retail Market	DOE coordination with DOF for the creation of policy to govern tax regulations with the end view of providing lower cost of electricity to end-users

# RESA Comments

Issue	Specific Provision Affected	Proposal
Definition of timeline for the implementation of full retail competition	EPIRA defined timeline involving RCOA implementation	Creation of Working Group to involve stakeholders for the harmonization of existing regulations.
Implementation differences between DU and RES involving Billing and Settlement	Single Billing Policy	Creation of Working Group to involve stakeholders for the harmonization of existing regulations.
Implementation of full automation of Retail Transactions via B2B System (B2B System)	ERC guidelines and PEMC Market Manual	Creation of Working Group to involve stakeholders for the harmonization of existing regulations.

# RESA RECOMMENDATIONS

# RESA Recommendations

- Creation of Working Group composed of ERC, DOE, BIR, PEZA, PEMC, industry stakeholders (Generation, Distribution, Transmission and Supply Sector representatives) and Consumer Sector
- Harmonization of existing regulations and processes to incorporate experience and concerns gained from the 8-months operation of the Retail Segment
- Definition of timeline regarding implementation of full retail competition incorporating comments/suggestions from all stakeholders

Thank You