



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

MEMORANDUM

TO : ALL CONCERNED DISTRIBUTION UTILITIES

SUBJECT : COMPETITIVE SELECTION PROCESS (CSP) ADVISORY

DATE : AUG 16 2019

In view of the recent Supreme Court decision in *Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy Regulatory Commission (ERC), et al.* (G.R. No.227670, 3 May 2019), the Department of Energy (DOE) hereby issues the following advisory:

1. All distribution utilities (DUs) with Power Supply Agreement (PSA) application with the ERC and did not undertake the CSP process on or after 30 June 2015, shall revisit their Power Supply Procurement Plan (PSPP) and identify possible impact of the decision.
2. The affected DUs **may** exercise the provisions on Sections 2.2.2. and 2.2.4 of DC2018-02-0003, subject to the limitations stated therein, specifically for not more than one (1) year, during which time the DU must conduct CSP for its long-term power supply, to wit:

xxx

“Section 2.2.2. Negotiated procurement of emergency power supply; Provided, that the cooperation period of the corresponding PSA shall not exceed ne (1) year; Provided further, that the rate shall not be higher than the latest ERC approved generation tariff for the same or similar technology in the area.”

xxx

“Section 2.2.4. Provision of power supply by the Power Sector Assets and Liabilities Management (PSALM) Corporation through bilateral contracts for the power produced from the undisposed generating assets and Independent Power Producers (IPP) contracts duly sanctioned by the “Electric Power Industry Reform Act of 2001” or EPIRA as deemed by the DUs, subject to a periodic review of the DOE.”

3. Affected DUs that will apply for CSP Exemption shall submit documents in support of the said application, including but not limited to Board Resolution/s, a copy of the negotiated PSA and supply demand scenario showing impact of the SC Decision on its supply profile.

In addition, the application for CSP Exemption must be accompanied by an updated PSPP of the concerned DU.”

4. Submission of the updated PSPP and the request for exemption shall be made not later than 20 August 2019.

For further inquiries, you may send them to the following DOE Officials:

Assistant Secretary Redentor E. Delola

Telephone No.: (02) 541-5516

Email Address: delola.redentor@gmail.com

Director Mario C. Marasigan, CESO III

Telephone No.: (02) 840-2120

Email Address: mcmarasigan.epimb@gmail.com


ALFONSO G. CUSI
Secretary



Republic of the Philippines
DEPARTMENT OF ENERGY
IN REPLYING PLS. CITE:

DOE-AGC-19004444

