



Republic of the Philippines  
DEPARTMENT OF ENERGY

---

MEMORANDUM

---

TO : ALL POWER GENERATION COMPANIES

SUBJECT : ADVISORY ON ENSURING ADEQUATE AND RELIABLE  
ELECTRIC POWER SUPPLY FROM ALL POWER PLANTS IN  
THE COUNTRY

---

*"Electric Power Industry Reform Act of 2001"* (EPIRA) intends to ensure reliability, quality and security of supply of electric power. The Department of Energy (DOE) is the lead agency mandated to guarantee achievement this objective.

In line with this, *EPIRA* strictly prohibits anti-competitive behavior among the players in the electric power industry. Thus, Section 45 of said law states:

*Cross Ownership, Market Power Abuse and Anti-Competitive Behavior.*  
– **No participant in the electricity industry or any other person may engage in any anti-competitive** behavior including, but not limited to, cross-subsidization, price or market manipulation, or other unfair trade practices detrimental to the encouragement and protection of contestable markets.

XXX

XXX

XXX

Furthermore, Section 1, Rule 11 of *EPIRA Implementing Rules and Regulations* (IRR) likewise prohibits electric power industry participants from engaging in anti-competitive behavior, to wit:

**General Principle. No Electric Power Industry Participant** or any other Person **may engage in any anti-competitive behavior** including, but not limited to, cross-subsidization, price or market manipulation, false or deceptive marketing, or other unfair trade practices detrimental to the encouragement and protection of Contestable Markets or the WESM.

Meanwhile, Section 2 of Department Circular No. 2010-03-0003 (DC),<sup>1</sup> requires Generation Companies to ensure the availability of their generation facilities at all times and to operate in their Maximum Available Capacity, to wit:

---

<sup>1</sup> Entitled *"Directing All Power Generation Companies, The Transmission Service Provider, And All Distribution Utilities to Ensure Adequate and Reliable Electric Power Supply in The Country."*

**Responsibilities of Generation Companies.** Pursuant to the EPIRA, all Generation Companies shall ensure the availability of its generation facilities at all times subject only to technical constraints duly communicated to the SO in accordance with existing rules and procedures. **For this purpose, Generation Companies shall have the following responsibilities:**

**2.1 All Generating Companies shall operate in accordance with their Maximum Available Capacity.** For this purpose, Maximum Available capacity shall be equal to the registered maximum capacity of the (aggregate) unit less (1) forced unit outages, (2) scheduled unit outages, (3) de-rated capacity due to the technical constraints which include (a) plant equipment-related failure and ambient temperature, (b) hydro constraints which pertains to limitation on the water elevation/turbine discharge and megawatt output of the plant and (c) geothermal constraints which pertains to the capacity limitation due to steam quality (chemical composition, condensable and non-condensable gases), steam pressure and temperature variation, well blockage and limitation on steam and brine collection and disposal system.

In case of unexpected shutdown or derating of generating facility or deactivation of existing generating units, following sections of the same DC require Generation Companies to comply with certain notification requirements, to wit:

2.6 All Generation Companies must notify and coordinate with the System Operator of any planned activity such as shutdown of its equipment in accordance with the PGC;

2.7 Immediately inform the DOE of any unexpected shutdown or derating of the generating facility or unit thereof. The report shall include a description of the causes of the unexpected shutdown and estimated resumption;

Based on the foregoing, the Secretary, through the undersigned, orders power generators to ensure regular operation of their respective power generating facilities. **In case of unexpected shutdown or derating of the generating facility or unit of respective generating facilities thereof, power generators shall within twenty-four (24) hours from actual outage to submit report to the DOE** containing the following information:

1. Cause/reason of the following outages<sup>2</sup>:

---

<sup>2</sup> In accordance to the ERC Resolution No. 21, series of 2016 entitled "A Resolution adopting the Grid Management Committee's Proposed Amendments to ERC Resolution No. 17, series of 2013 entitled 'A Resolution Adopting and Approving the Rules and Procedures to Govern the Monitoring of Reliability Performance of Generating Units and the Transmission System'"



- a. Unplanned Outage;
  - b. Forced Outage;
  - c. Extended Planned Outage; and
  - d. Other outages under the classification of Unplanned Outage.
2. Actions being undertaken to address them; and
  3. Expected date and time of resumption of operation.

Considering the strict mandate to ensure reliability, quality and security of supply of electric power under EPIRA, DOE shall not tolerate activities which amount to anti-competitive behavior or non-compliance with said law and its issuances.

For immediate submission of report (with attachment), kindly email and send through the following mobile number via Viber application:

| Name of DOE Recipients             | Designation, Office               | Email Address              | Mobile Number |
|------------------------------------|-----------------------------------|----------------------------|---------------|
| Atty. Felix William B. Fuentebella | Undersecretary                    | repwimpy@gmail.com         | 0918-946-7993 |
| Engr. Redentor E. Delola           | Asst. Secretary                   | delola.redentor@gmail.com  | 0917-725-1017 |
| Mario C. Marasigan, CESO IV        | Director IV<br>OIC, EPIMB         | mario.marasigan@doe.gov.ph | 0917-857-4546 |
| Irma C. Exconde                    | Director III,<br>EPIMB            | iexconde@gmail.com         | 0917-825-3928 |
| Thelma B. Ejercito                 | OIC-Division<br>Chief, EPIMB-PPDD | tejercito@yahoo.com        | 0917-556-0751 |
| Engr. Mark Christian P. Marollano  | Sr. SRS,<br>EPIMB-PPDD            | mcp_marollano23@yahoo.com  | 0917-503-5685 |

***For your strict compliance.***

**ATTY. FELIX WILLIAM B. FUENTEBELLA**   
Undersecretary



