



# consumer connect

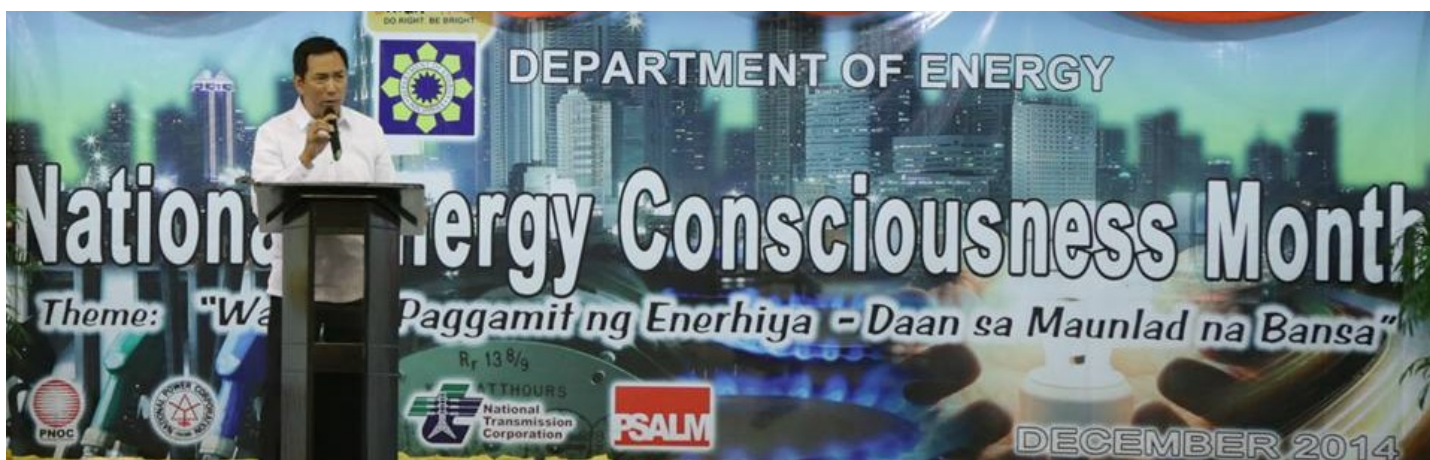
empowering energy consumers

October-December 2014

WELL-INFORMED CONSUMERS MAKE BETTER CHOICES

## SPECIAL FEATURE

## DRIVING THE PHILIPPINE ENERGY SECTOR TOWARDS INCLUSIVE GROWTH



Spanning more than forty years in existence, the Department of Energy (DOE), along with energy stakeholders and partners, continues to pursue its aggressive efforts to provide life-changing developments in the country –a boost to the government’s goal of inclusive growth.

With a country composed of 7,107 islands, the government sees the need for development to be felt not only in city centers but in every household in the Philippines. Taking this to heart, the DOE intensified its programs to include communities–big and small– in energizing their areas for more effective nation building.

Energy Secretary Carlos Jericho Petilla leads the DOE and the energy sector in educating the people by making energy basics and policies accessible to everyone. For one, the DOE started tapping local government units in terms of energy policy formulation, a move which resulted in the creation of regional energy plans. Upon the conduct of programs and activities together with the provincial planning offices, the DOE has penned the Palawan Energy Plan in 2014, while a Mindoro Island Energy Plan is also in the works.

Reinforcing transparency efforts in the energy sector, consumers are now able to track electricity price movements with the recently launched [www.kuryente.org.ph](http://www.kuryente.org.ph), while also tracing and managing electricity

consumption with [www.wattmatters.org.ph](http://www.wattmatters.org.ph). Soon, another consumer website catering to oil industry will be online, [www.langis.org.ph](http://www.langis.org.ph). The DOE also modified its website ([www.doe.gov.ph](http://www.doe.gov.ph)) to make energy information more understandable. The websites complement the annually and routinely conducted information, education, and communication (IEC) campaigns which cover Luzon, Visayas and Mindanao.

Complementing education are infrastructure developments on which the DOE remains focused and steadfast in order to achieve electrification across the country, especially in the rural areas. The government is expecting a total of about 5,200 megawatts (MW) to be connected to the grid between 2014 and 2020. These projects will also benefit localities through the Energy Regulations (ER) 1-94, which provides opportunities to host communities to utilize their share in the power facility’s earnings for their own development. In 2014 alone, a total of 353 electrification projects have been approved; 38 livelihood and development programs were implemented; and

27 health and environmental projects were initiated in several provinces across the nation under ER1-94.

In providing electricity to households and sitios, more than 250,000 households were connected and powered by their respective distribution utilities mostly in the ECs’ franchise areas this year. A total of 20,513 sitios have been energized as of December 2014, and by the end of 2015 as targeted, 32,441 sitios will be enjoying electricity in their own homes.

Promoting renewable energy for sustainability, 638 renewable energy (RE) projects with a total potential capacity of more than 10,000 megawatts (MW) of clean power were awarded under the National Renewable Energy Program. The goal is to triple the current installed on-grid RE capacity of around 5,400 MW to 15,319 MW by 2030. To attain this goal, the Department fast-tracked the processing and evaluation of RE service contract applications from 100 working days down to 45 days, which resulted in the vibrancy and confidence of the RE developers.

In addition, the DOE employed a rapid rural appraisal that identified 10,400 qualified beneficiaries of solar PV systems. Moreover, there is an ongoing procurement of solar PV system for solar electrification of 335 households in five conflict-affected communities in Mindanao to stir peace and security.

Furthermore, the DOE has seen an improvement in the implementation of the Retail Competition and Open Access (RCOA) with a 28% increase of participation from the initial 275 in June 2013 to 385 as of June 2014 registered participants. RCOA allows contestable customer or one-megawatt consuming customer to directly connect with a power generator to enhance competition in the power market. A task force on electricity pricing was also created to help look for ways to lower the price of electricity in the country.

For the downstream oil industry, six Mobile Testing Vans have been procured to protect consumers against any unscrupulous practices in the oil industry by testing if the

quality of petroleum products sold in the market meets appropriate standards, and that gasoline stations selling adulterated petroleum products are immediately sanctioned. Earlier this year, the DOE also issued Department Circular 2014 – 0001 requiring LPG industry players to secure a standard compliance certificate to promote fair and safe trade practices.

Another milestone is the completion of the 2014-2030 roadmap for alternative fuels and vehicles, wherein 11,977 diesel-fed taxis were converted to auto-LPG. For biofuels, the DOE awarded Certificates of Registration with Notice to Proceed to two bioethanol projects, and a Certificate of Accreditation to one bioethanol and one biodiesel production plants.

With all the policies and infrastructures put in place, the DOE still strongly emphasizes the significant impact of every Filipino’s cooperation in terms of energy efficiency and conservation (EE&C). Such EE&C measures like setting cooling systems at 25°C, if done in multitude will yield great results and savings for the country. Moreover, despite the falling prices of petroleum products, the DOE still reiterates to consumers to watch their fuel consumption. The DOE actually provides energy audit services to companies to help them determine their energy use patterns and identify energy conservation measures appropriate to their operations.

As the DOE strengthens the fences in the energy sector through policy development and program implementation, the DOE still counts on the consumers to be vigilant, well-informed, and responsible for every watt of electricity they consume, and every drop of oil they burn. The energy sector is one of the drivers of national growth, and with empowered consumers, remarkable progress will soon be visible.

“Energy Conservation is not reserved for owners of big houses, factories and businesses. This is a collaborative effort of all citizens because as a nation, we are obliged to contribute to the betterment of our country.”  
-Secretary Carlos Jericho L. Petilla



# DOE AWARDS THREE COMPANIES WITH COAL CONTRACTS

Once again, the Department of Energy (DOE), through the 5<sup>th</sup> Philippine Energy Contracting Round (PECR5), has awarded Coal Operating Contracts (COC) to winning coal exploration companies at the DOE-Databank Lobby on 18 December 2014.

Led by the DOE-Energy Resource Development Bureau (ERDB), the PECR5 is aimed at developing the country’s coal, oil, and natural gas resources to help address the consumers’ growing energy needs.

Energy Undersecretary Zenaida Y. Monsada in her remarks said “The PECR 5 shows DOE’s lasting commitment to discover new coalfields that would somehow help achieve our pursuit for energy self-sufficiency.”

The winning applicants for coal explorations are CoalBlack Mining Corporation for Area 2 in Surigao del Sur; Philsaga Mining Corporation for Areas 6 and 7 in Agusan del Sur; and Sahi Mining Corporation for Areas 4, 5, 10 & 11 in the provinces of Agusan del Sur, Agusan del Norte, Zamboanga del Norte, and Zamboanga Sibugay, respectively.

Meanwhile, the awarding of petroleum contracts will be conducted within the first half of 2015, as the evaluation on the areas for offer are more intricate and complex.

Last February 24, the DOE issued the PECR5 Circular (DC2014-02-0005), which reiterates the government’s promotion of the exploration, development, and production of the country’s indigenous petroleum and coal resources through a transparent and competitive system for awarding service and operating contracts with local and foreign investors.

“ We are hopeful that the current coal exploration activities in the country will be further intensified with the entry of new coal operating contractors along with the existing ones.”  
-Usec. Zenaida Y. Monsada





# DOE CONTINUES AGGRESSIVE CAMPAIGN FOR ENERGY EFFICIENCY AND CONSERVATION FOR 2014 NECM

*The Department of Energy (DOE) leads the celebration of the National Energy Consciousness Month 2014 (#NECM2014), as it continues to aggressively promote the energy efficiency efforts of the country.*

With the banner theme: "Wastong Paggamit ng Enerhiya - Daan sa Maunlad na Bansa," the #NECM2014, pursuant to Presidential Proclamation No. 1427, was opened on Dec. 1 at the DOE-Multipurpose Gym; where the Energy family and stakeholders solemnly began the annual event with a Eucharistic celebration. After the mass, the #NECM2014 Vice Chairperson and Secretary Carlos Jericho L. Petilla delivered messages for the celebration and the chorales of the DOE, National Power Corporation, National Electrification Agency, National Transmission Company, and the Philippine National Oil Company rendered their repertoire of popular Christmas carols to the delight of the audience.

"As early as 2007, the government already recognizes the need to intensify public awareness on energy efficiency policies and programs given the increasing demand for energy," said Oil Industry

Management Bureau OIC-Director and #NECM2014 Vice-Chairperson Melita V. Obillo during her Opening Remarks. She added that since the government initiated a campaign for energy efficiency, government offices, private companies, and even households now have more efficient lighting; property developers are now leaning towards green and energy efficient infrastructure; some of the vehicles are now running on non-conventional fuels for sustainability; and consumers are already looking at energy labels when buying their appliances.

Energy Secretary Carlos Jericho L. Petilla, meanwhile, emphasized that energy efficiency and conservation is a collaborative effort of all citizens as a valuable contribution for the betterment of our country.

"Right now everybody is moving to find a solution," Secretary Petilla said.

As a way forward, Secretary Petilla envisioned #NECM2014 as a kick-off to deal with energy efficiency and conservation efforts quantitatively, and encourage volunteerism, attitude and lifestyle change towards energy efficiency.

## DOE AWARDS ENERGY EFFICIENCY CHAMPIONS FOR SAVING P3.7 BILLION

The Department of Energy (DOE), as the frontrunner in energy efficiency and conservation (EE&C), recognizes companies, organizations, and individuals in the industrial, commercial, and the transport sectors with significant reduction in energy consumption during the annual Don Emilio Abello Energy Efficiency Awards (DEAEEA).

The 2014 DEAEEA, which was held last 04 December at Dusit Thani Manila, Makati City, carried the theme: "Energy Efficiency towards an Environment- Friendly and Developed Economy."

Providing a model to look up to in transforming the unrestrained lifestyle of Filipinos towards energy consumption, the DOE awarded a total of 92 companies and 50 energy managers, which obtained an enormous savings of 96 million liters of



oil equivalent. This is equivalent to monetary savings of PhP3.7 billion and 188 thousand kilograms of avoided carbon dioxide emissions, almost doubling the achievement of the previous year.

In particular, the Secretary’s Award was conferred to STMicroelectronics, Inc. for attaining the highest percent energy conservation (PECO) rating of 23.8%. The Secretary’s award is the highest award given to a former Hall of Fame awardee and has a PECO of not lower than 15%.

DEAEEA also granted a distinction to Engr. Jose Hilario for being one of the inspiring leaders in pushing for EE&C in the country. The Indigenous Award was given to Mondelez Philippines, Inc. for improving its plant’s performance with the utilization of indigenous energy resources.

Meanwhile, seven (7) companies received the Hall of Fame Award, which is conferred after obtaining three Outstanding Awards for three consecutive years. Awards were also given to those who have considerably improved their energy performance by certain percentages based on the latest Specific Energy Consumption (SEC) report and supported by significant EE&C projects and measures.

Fifty recipients received Outstanding Award (at least 5% SEC), 10 received a Citation Award (less than 5% SEC), and 23 recipients received a Special Award (1-3% SEC).

Per DOE Memo Circular 93-03-05, all companies consuming more than one million fuel oil equivalent liter (FOEL) of energy annually are required to submit quarterly energy consumption reports to the Department of Energy. In addition to quarterly reports, companies consuming more than two million FOEL annually are also required to submit annual energy

conservation reports.

“The importance of DEAEE Award is not about the distinction, but the awareness it creates,” Energy Secretary Carlos Jericho L. Petilla said, emphasizing the essence of EE&C and its effects on consumer behavior towards saving energy.

The DEAEEA is being held in partnership with the Philippine National Oil Co., National Power Corp., Manila Electric Co. (Meralco), Petron Corp., Chevron Philippines Inc., Pilipinas Shell Petroleum Corp., Energy Development Utilization Foundation Inc., Energy Efficiency Practitioners Association of the Philippines, and the Philippine Energy Conservation Center, Inc.



## [ History of DEAEEA ]

*The Don Emilio Abello Energy Efficiency Awards (DEAEEA) has been around since 1982. It was named after former MERALCO Chairperson and Chief Executive Officer Emilio Abello, who is considered as the Father of the Energy Conservation Movement in the country.*



# GENDER AND DEVELOPMENT: A PRIORITY IN THE ENERGY SECTOR

In an effort to meet its 2014 milestones, the Department of Energy (DOE) assesses its own and those of the attached agencies' Gender and Development (GAD) achievements in ensuring gender equality within the energy sector.

Generally, the DOE-GAD programs initiated in the energy sector intends to bridge the gap between the male and female genders through several projects including gender mapping in northern Luzon provinces, promotion of renewable energy, and information, education and communication (IEC) campaigns on energy-related topics.

To further enhance and sustain the DOE's GAD projects, the agency conducted a post activity meeting with its Bureaus and Services together with its project implementers on 15 December 2014 in Taguig City.

Moreover, as the steering agency on GAD programs and projects of the energy family, the DOE also conducted a year-end consultation to review the attached agencies' previous year's performance and plans for 2015 last December 17 at the National Power Corporation media lounge.

Both GAD assessment activities are aimed at producing projects that are targeted to further close the gap between the two genders and provide better opportunities for women's participation in the energy sector activities.



Recently, the DOE-GAD proponents facilitated an IEC campaign on energy safety practices and efficiency measures for households and representatives of the local government unit within Makati City on December 16, 2014. Similar IEC campaigns were held on 10 December in Digos City, Davao del Sur and on 11 December in Davao City targeting both the students and school faculties.

These DOE-GAD activities last December were held in observance of the National Energy Consciousness Month (NECM), which imbibe the theme “Wastong Paggamit ng Enerhiya Daan sa Maunlad na Bansa.”



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*The Consumer Welfare and Promotion Office (CWPO) is the unit of the Department of Energy that formulates and implements policies and programs on consumer information, welfare promotion, empowerment and protection relative to the energy sector.*

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