



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT ORDER NO. DO 2012-06-0009

**CREATING THE TECHNICAL WORKING GROUP TO INTEGRATE  
RETAIL COMPETITION AND OPEN ACCESS TO THE WESM**

**WHEREAS**, Section 37 of Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA) mandates the Department of Energy (DOE) to supervise the restructuring of the electricity industry;

**WHEREAS**, Section 31 of the EPIRA provides that Retail Competition and Open Access (RCOA) shall be implemented not later than three (3) years upon the effectivity of the EPIRA subject to the fulfillment of the five pre-conditions, to wit:

- a. Establishment of the wholesale electricity spot market;
- b. Approval of unbundled transmission and distribution wheeling charges;
- c. Initial implementation of the cross subsidy removal scheme;
- d. Privatization of at least seventy (70%) percent of the total capacity of generating assets of NPC in Luzon and Visayas; and
- e. Transfer of the management and control of at least seventy percent (70%) of the total energy output of power plants under contract with NPC to the IPPA Administrators.

**WHEREAS**, the above preconditions have been fulfilled as certified by the Energy Regulatory Commission (ERC) in ERC Case No. 2011-004-RM dated 06 June 2011;

**WHEREAS**, on 24 February 2012, the DOE issued Circular No. DC2012-02-0002 entitled, "Designating the Philippine Electricity Market Corporation (PEMC) as the Central Registration Body (CRB)";

**WHEREAS**, Section 2 of DOE DC No. 2012-02-0002 provides that PEMC shall perform the following functions:

1. Review of WESM Rules and Manuals;
2. Develop market infrastructures, systems, and processes;
3. Conduct training for the electric power industry participants
4. Comply with DOE directives;
5. Coordinate with relevant stakeholders and other government agencies; and
6. Perform such other functions as may be necessary in the effective and efficient implementation of RCOA.

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BY: ITMX-00-DIENA / RTZ GW

**WHEREAS**, on 09 May 2012, the DOE issued Circular No. DC 2012-05-0005 entitled, "Prescribing the General Policies for the Implementation of Retail Competition and Open Access";

**WHEREAS**, Section 16 of DOE Circular No. 2012-05-0005 provided that PEMC shall perform its responsibilities under DOE Circular No. 2012-02-0002;

**WHEREAS**, in order to perform its responsibilities under DOE Circular No. 2012-02-0002, PEMC needs to closely coordinate with DOE, and the DOE has to be regularly apprised of the progress and developments in the implementation of the RCOA;

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the DOE, in the exercise of its supervisory functions in the implementation of the EPIRA, hereby declares the following:

**Section 1. Creation of the RCOA Technical Working Group.** An RCOA Technical Working Group (RCOA TWG) is hereby created to supervise the overall activities related to the preparation and implementation of RCOA.

**Section 2. Composition.** The RCOA TWG shall be composed of the following:

|                  |                                       |
|------------------|---------------------------------------|
| Chairperson      | : Ms. Mylene C. Capongcol, DOE-EPIMB  |
| Vice Chairperson | : Mr. Robinson P. Descanzo, PEMC      |
| Members          | : Ms. Irma C. Exconde, DOE-EPIMB      |
|                  | Ms. Luningning G. Baltazar, DOE-EPIMB |
|                  | Mr. Ferdinand B. Binondo, DOE-EPIMB   |
|                  | Mr. Carlito C. Claudio, PEMC          |
|                  | Mr. Medardo T. Nunez, PEMC            |
|                  | Mr. Chrysanthus S. Heruela, PEMC      |
|                  | Ms. Criselda S. Martin-Funelas, PEMC  |
|                  | Mr. Zigfred Niño C. Viray, PEMC       |
|                  | Ms. Rachel Angela P. Anosan, PEMC     |

**Section 3. Functions and Responsibilities.** The RCOA TWG shall have the following functions and responsibilities:

1. Formulate the roll out plan that will incorporate among other things the specific action plans and timelines for the implementation of RCOA and its attendant activities;
2. Facilitate the drafting of the detailed rules and processes for the implementation of RCOA for approval of the DOE;
3. Supervise the procurement of the information technology system necessary to perform the functions of the CRB
4. Initiate the development and implementation of information and education campaigns for all stakeholders necessary to achieve greater understanding of the RCOA and for them to achieve informed decisions; and
5. Perform such other tasks as may be directed by the DOE.

**Section 4. Procuring Entity.** Notwithstanding the creation of the RCOA TWG, the procuring entity remains to be PEMC and the RCOA TWG shall only be responsible in steering the direction towards the proper implementation of RCOA based on the declared policy of the DOE under DOE DC No. DC2012-05-0005.

**Section 5. Secretariat.** To facilitate the meetings, reports and information dissemination among the members of the RCOA TWG, PEMC shall appoint its own personnel to take charge of the secretariat functions.

**Section 6. Tenure.** The RCOA TWG and the Secretariat shall continue to undertake its functions until one year after the initial implementation of RCOA.

**Section 7. Effectivity.** This Circular shall be effective immediately and shall remain in effect until otherwise revoked.

PEMC is hereby directed to publish this Circular in the market information website.

Issued this 31<sup>st</sup> day of May 2012 at Fort Bonifacio, Taguig City, Metro Manila.

  
**JOSE RENE D. ALMENDRAS**

Secretary

MAY 31 2012



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