

PROPOSED RULES AND MANUALS CHANGES TO OPERATIONALIZE THE GREEN ENERGY OPTION PROGRAM (GEOP)

12 November 2021 | Presentation to RCC



THE PROPONENT

- The proponent is the Independent Electricity Market Operator of the Philippines, Inc. (IEMOP)
- IEMOP is the Market Operator of the WESM and the Central Registration Body of the RCOA and GEOP.

OUTLINE



- 01 ACTION REQUESTED
- 02 RATIONALE OF THE PROPOSAL
- 03 SUMMARY OF THE PROPOSAL
- 04 OTHER RELEVANT MATTER

ACTION REQUESTED

- For approval of the urgent amendments

RATIONALE OF THE PROPOSAL

✓ Comply with provisions of various DOE and ERC issuances on GEOP

DOE DC2018-07-0019	<i>Guidelines for the establishment of the GEOP</i>
DOE DC2020-04-0009	<i>Guidelines for issuance of Operating Permits to RE Suppliers</i>
ERC Reso No. 08, Series of 2021	<i>Detailed rules for implementation of the GEOP</i>

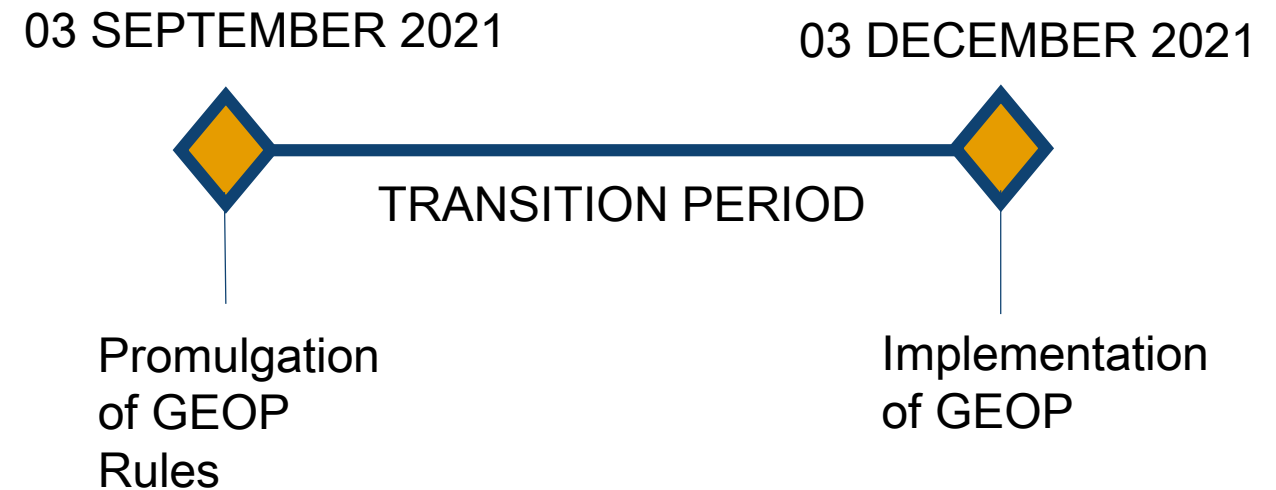
✓ Harmonize with existing implementation of RCOA

- Discrepancies between RCOA and GEOP rules, particularly on timelines, requirements and procedures, were observed
- Transactions for GEOP and RCOA should follow the same procedures and timeline as much as possible to facilitate seamless integration of GEOP

RATIONALE OF THE PROPOSAL

During the transition period, IEMOP as CRB to develop and finalize the following:

- ☒ Market Manuals
- ☒ Business Processes
- ☒ IT Design of B2B System/CRSS
- ☒ Registration Database

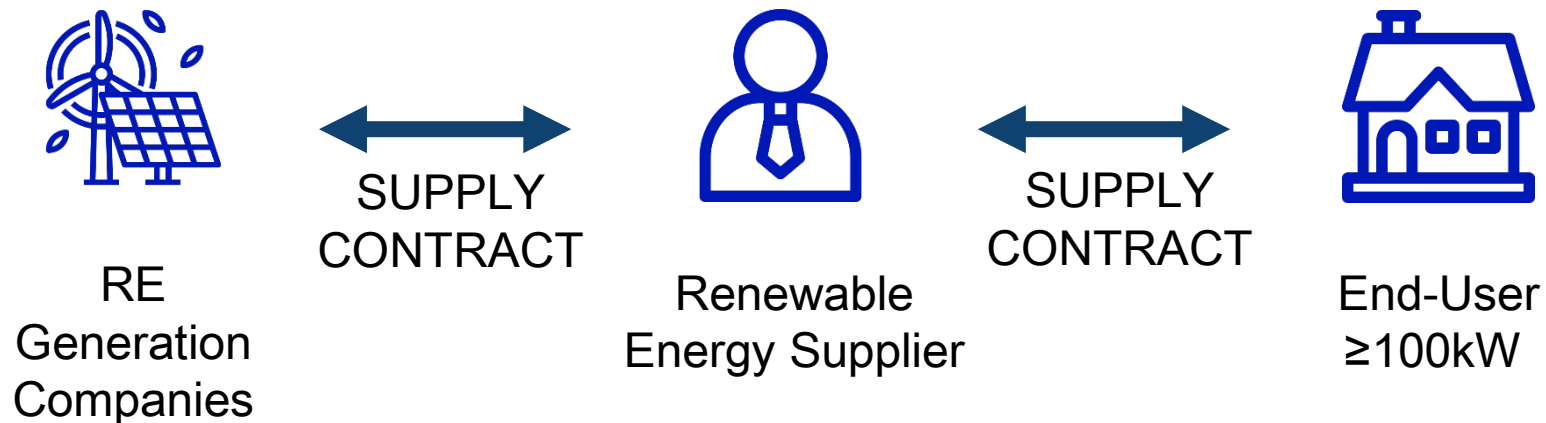


Pursuant to Section 52 of ERC Resolution No. 08, Series of 2021

SUMMARY OF THE PROPOSAL

OVERVIEW OF THE GEOP

- *Mechanism to empower end-users to choose renewable energy in meeting their energy requirements*
- *Conceptually similar to RCOA*

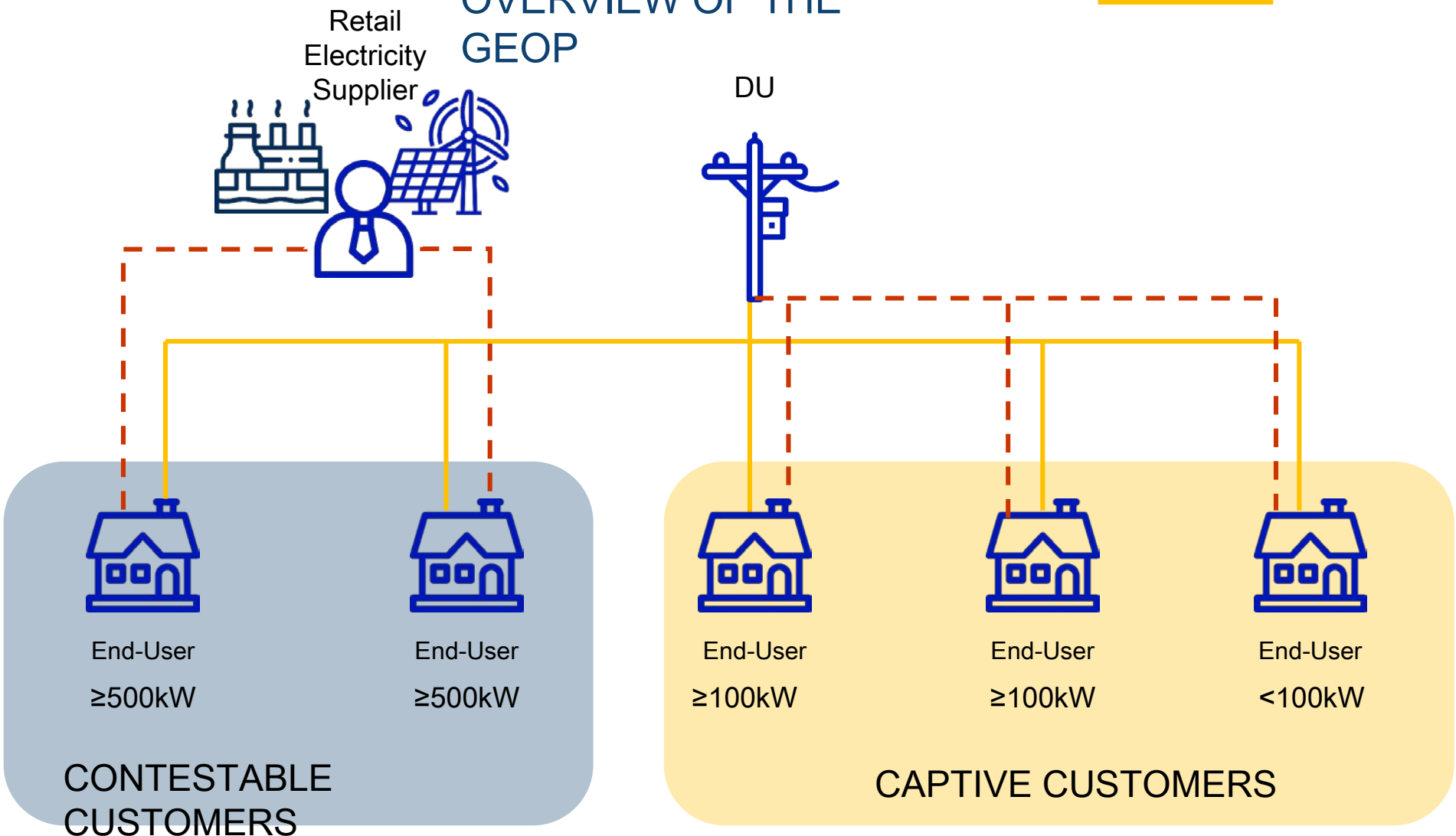


SUMMARY OF THE PROPOSAL

RCOA

OVERVIEW OF THE GEOP

SUPPLY
DISTRIBUTION

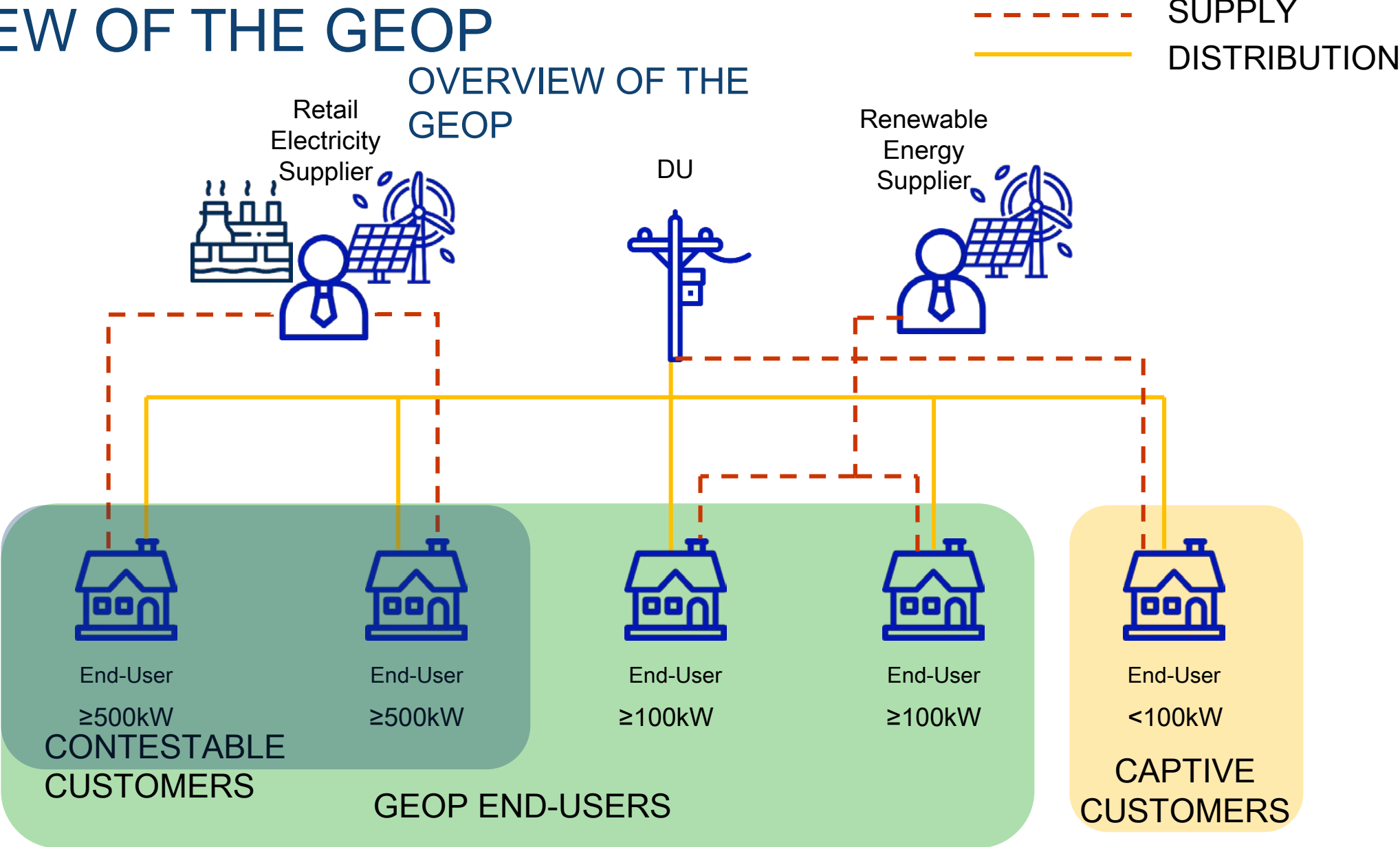


OVERVIEW OF THE GEOP

RCOA

+

GEOP



SUMMARY OF THE PROPOSAL

AFFECTED MARKET PROCESSES

	GENERATOR S	DUs and DCCs	RETAIL ELECTRICITY SUPPLIERS	RENEWABLE ENERGY SUPPLIERS	GEOP END- USERS
WHOLESALE					
REGISTRATION	✓	✓	✓	✓	
PRICING AND SCHEDULING	✓	✓	✓	✓	
METERING	✓	✓			
SETTLEMENT	✓	✓	✓	✓	✓
RETAIL					
CUSTOMER SWITCHING			✓	✓	✓
METERING			✓	✓	✓

SUMMARY OF THE PROPOSAL

AFFECTED DOCUMENTS

WHOLESALE*

- WESM RULES
- WESM MANUAL ON REGISTRATION, DEREGISTRATION AND SUSPENSION CRITERIA AND PROCEDURES
- WESM MANUAL ON BILLING AND SETTLEMENT

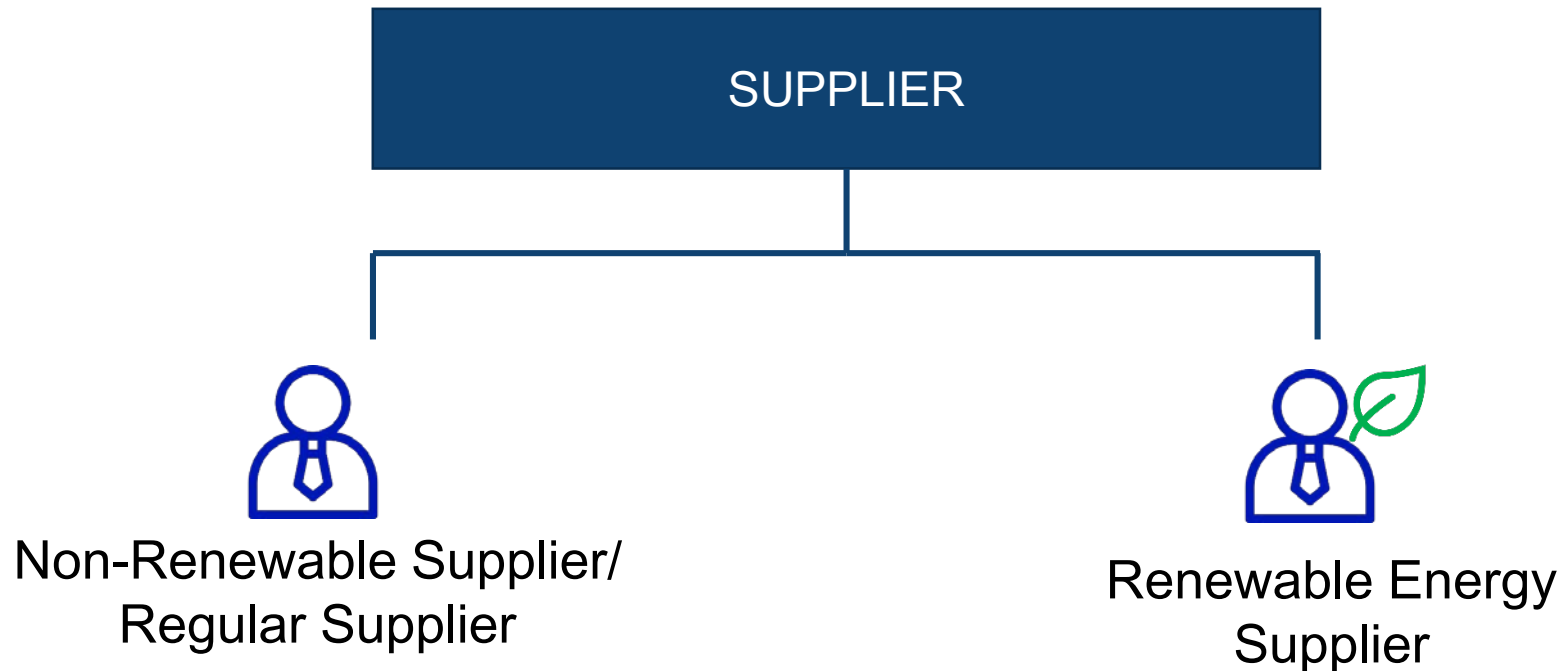
**with respect to wholesale transactions of Suppliers and GEOP End-Users, as applicable*

RETAIL

- RETAIL RULES
- RETAIL MANUAL ON REGISTRATION CRITERIA AND PROCEDURES
- RETAIL MANUAL ON MARKET TRANSACTIONS PROCEDURES
- RETAIL MANUAL ON METRING STANDARDS AND PROCEDURES
- RETAIL MANUAL ON DISCLOSURE AND CONFIDENTIALITY OF CONTESTABLE CUSTOMER INFORMATION
- RETAIL MANUAL ON GEOP PROCEDURES (NEW)

SUMMARY OF THE PROPOSAL

A) Update Definition of “Supplier”



Qualification

- ERC RES License

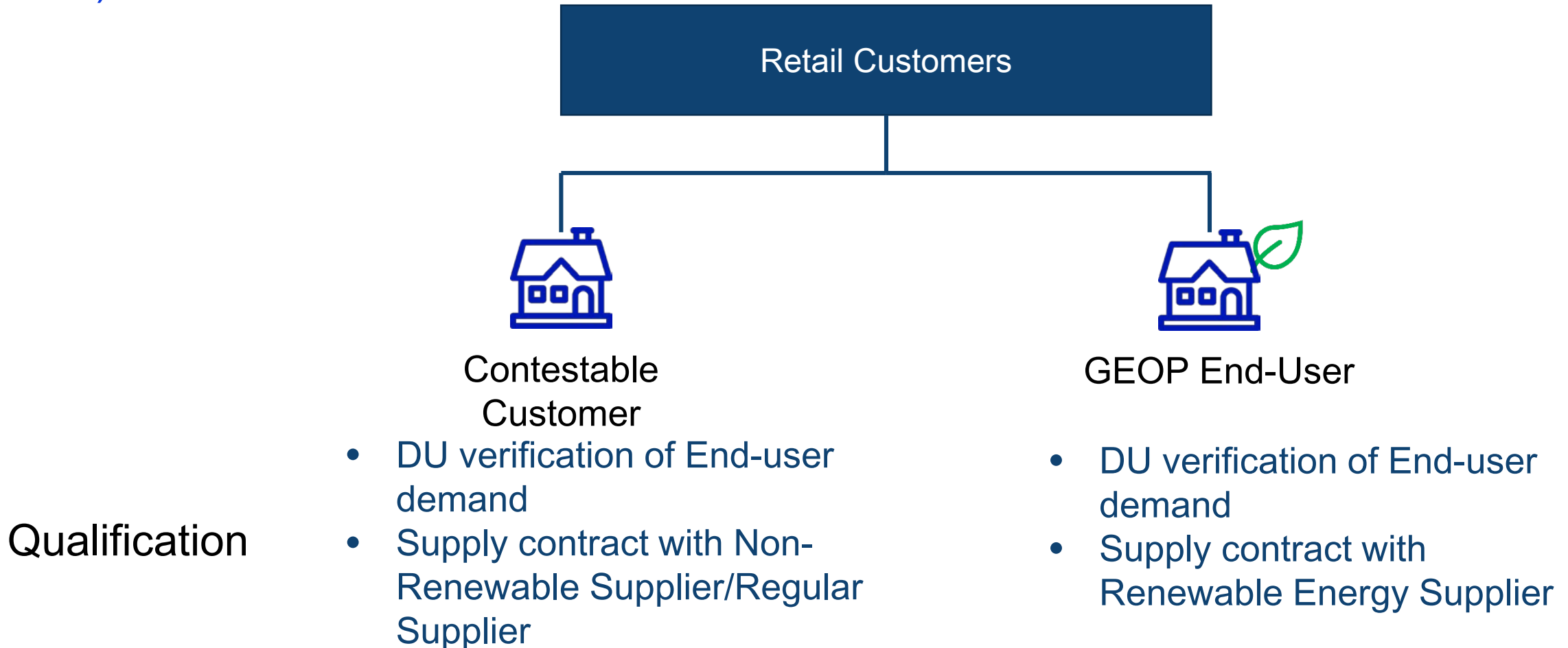
- ERC RES License*
- DOE GEOP Operating Permit**

*ERC Resolution No. 8, Series of 2021 Section 12

**DOE DC2018-07-0009 Section 11

OVERVIEW OF PROPOSED AMENDMENTS

B) Define new term “Retail Customers”



OVERVIEW OF PROPOSED AMENDMENTS

C) Participation of existing RCOA players in GEOP



Retail Electricity
Supplier/Local RES

- Upon submission of GEOP Operating Permit, CRB to facilitate separate registration as Renewable Energy Supplier



End-Users
≥500kW

- Upon signing supply contract with a Renewable Energy Supplier, CRB to transfer registration as GEOP End-User



DU

- No need to facilitate separate registration to provide services as RMSP and SOLR for GEOP End-Users

OVERVIEW OF PROPOSED AMENDMENTS

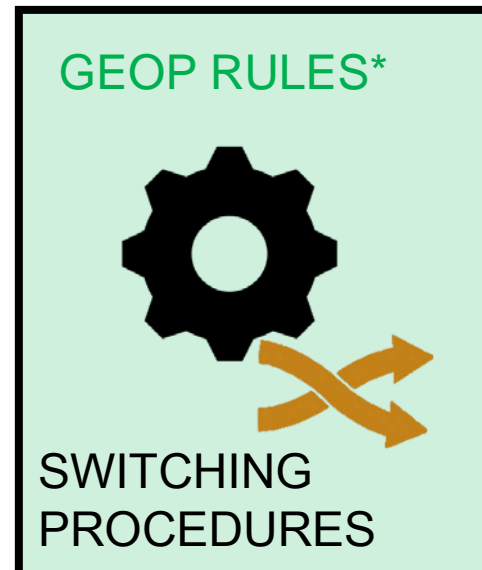
D) Customer Switching



- Attestations
- No submission of supply contract prior to switch request
- 15 Working Day (WD) timeline to comply with metering deficiencies



- Timelines
- Requirements



- Copies of agreements (16.2)
- RE Suppliers required to notify CRB its signed contract 30 Calendar Days prior to start of supply
- 5 WD timeline to comply with metering deficiencies

Proposal:

**RETAIN
EXISTING
PROCEDURES**

Continuation of existing procedures will result to more seamless integration of GEOP

*ERC Resolution No. 8 Series of 2021 Article V

OVERVIEW OF PROPOSED AMENDMENTS

E) Customer Relocation



≠



- CRB is copy furnished of agreement for relocation
- Procedure for relocation outside DU franchise = Procedure for relocation within DU franchise

- Agreement is coursed through the CRB
- End-user to be treated as new customer of Supplier

Proposal:

**RETAIN
EXISTING
PROCEDURES**

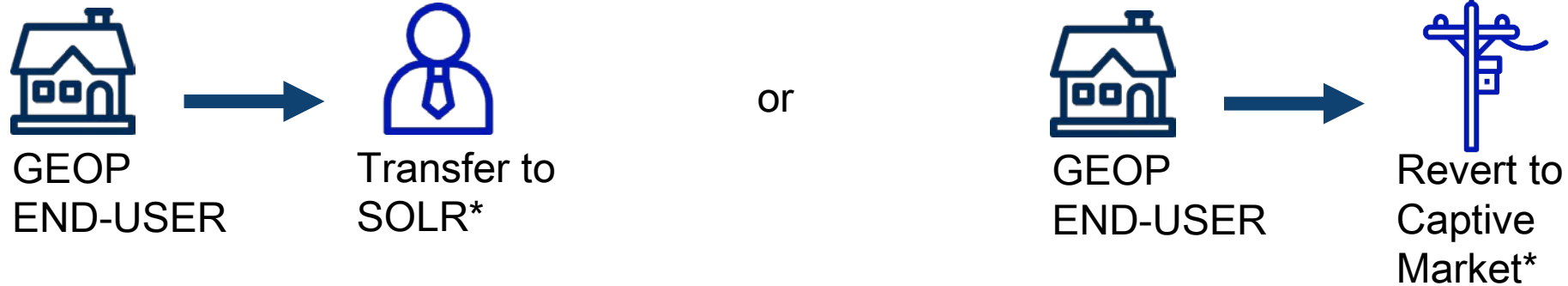
Faster processing of
relocation

*ERC Resolution No. 8 Series of 2021 Article VI

OVERVIEW OF PROPOSED AMENDMENTS

F) Failure to contract with another Supplier in case of Non-renewal/Pre-termination of Supply Contract

GEOP END-USERS



*ERC Resolution No. 8 Series of 2021 Sections 24 and 25

OVERVIEW OF PROPOSED AMENDMENTS

G) Additional Last Resort Supply Events for GEOP End-Users



Revocation of
GEOP
Operating
Permit of its
Renewable
Energy
Supplier*



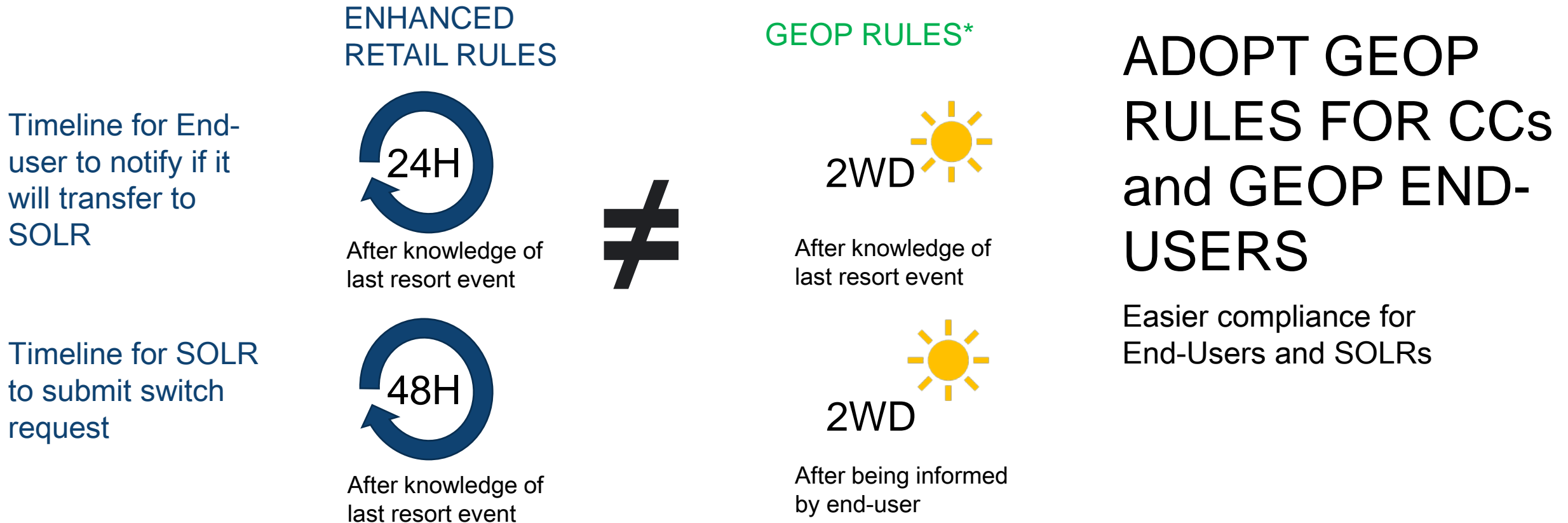
Non-renewal of
Supply Contract
with its
Renewable
Energy
Supplier*

*ERC Resolution No. 8 Series of 2021 Section 25

OVERVIEW OF PROPOSED AMENDMENTS

H) Transfer to SOLR

Proposal:



*ERC Resolution No. 8 Series of 2021 Section 20

OVERVIEW OF PROPOSED AMENDMENTS

J) Metering Standards for Retail Customers



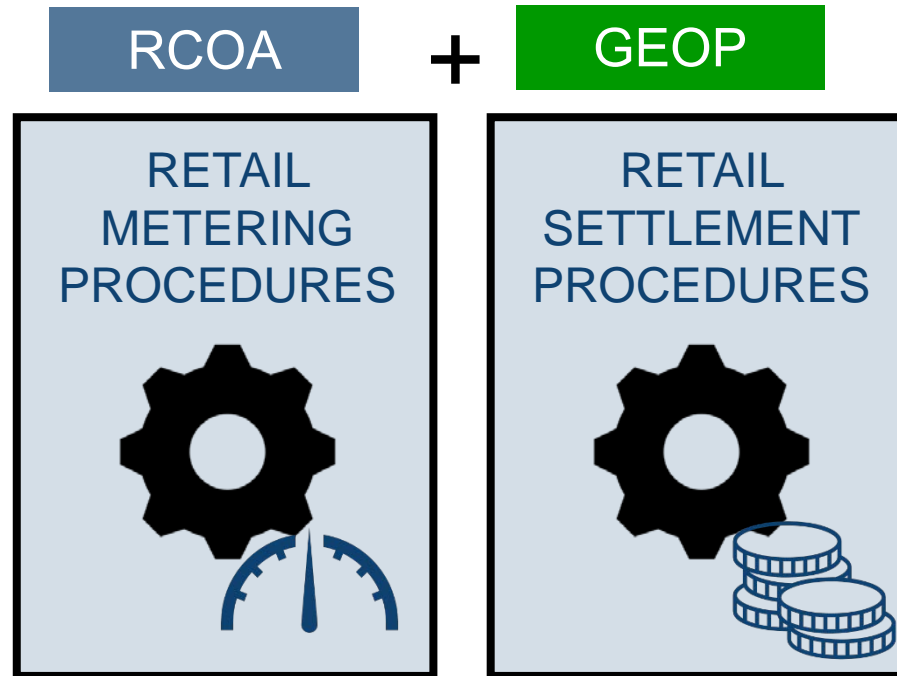
APPLY CURRENT STANDARDS AND PROCEDURES FOR RETAIL CUSTOMERS

- Uniform application of metering standards will result to increased participation in GEOP
- ERC Reso No. 8, Series of 2021 states that metering standards shall be in accordance with Retail Rules and Manual on Metering Standards and Procedures*

*ERC Resolution No. 8 Series of 2021 Section 8

OVERVIEW OF PROPOSED AMENDMENTS

K) Metering and Settlement Processes



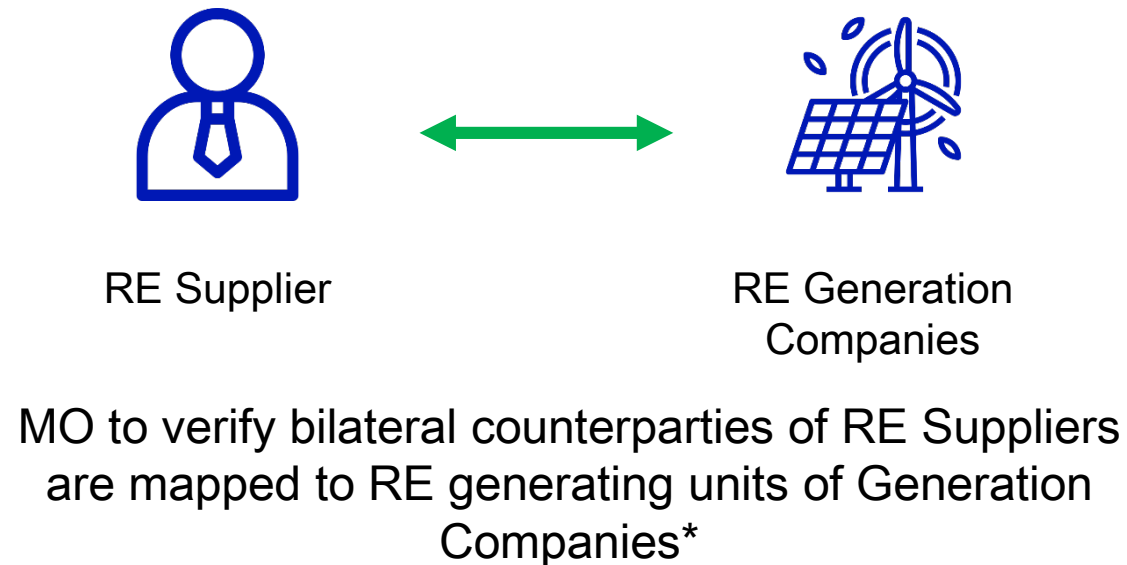
Applicable to*:

- Retail MSPs
- Retail Customers
- Suppliers (Retail Electricity Suppliers and Renewable Energy Suppliers)

*ERC Resolution No. 8 Series of 2021 Section 8

OVERVIEW OF PROPOSED AMENDMENTS

L) Suppliers' enrollment of bilateral counterparties



*DOE DC 2020-04-0009 Section 9.3

OTHER RELEVANT MATTERS



- None

ACTION REQUESTED

- For approval of the urgent amendments



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We Run Markets

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