

The Energy Regulatory Commission's Role in the Promotion of Clean Energy

**By: Zenaida G. Cruz-Ducut, ERC
Chairperson and CEO**

4 Asia Clean Energy Forum

- A quasi-judicial and independent regulatory body
- Created through Section 38 of the Electric Power Industry Reform Act (EPIRA) in 2001

Sec. 38 of the EPIRA

“There is hereby created an independent, quasi-judicial regulatory body to be named the Energy Regulatory Commission (ERC)”

Mandate

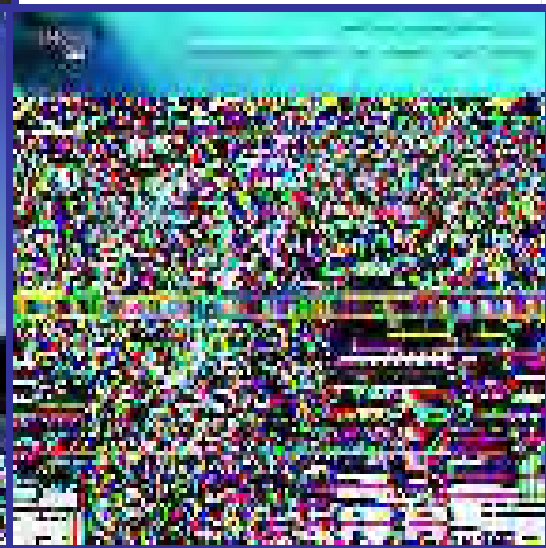
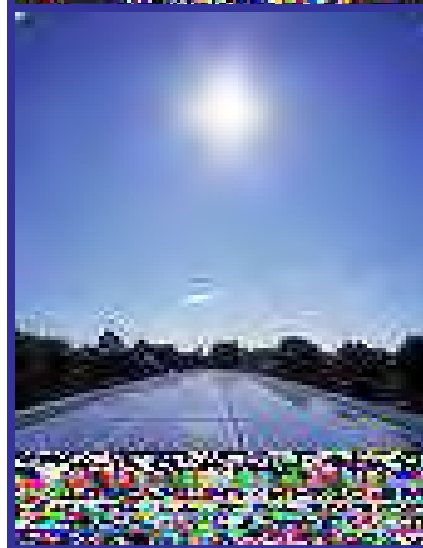
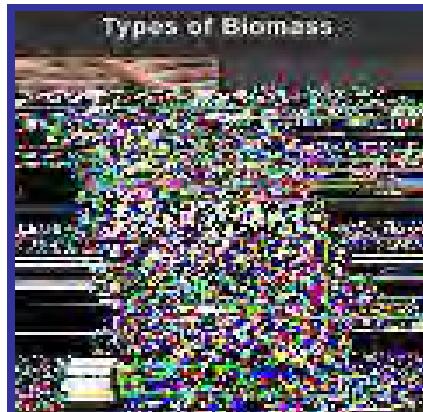
Sec. 43 of (EPIRA)

1. Promote consumer interests
2. Promote competition
3. Encourage market development
4. Ensure customer choice
5. Penalize abuse of market power
6. Enforce the implementing rules and regulations of the EPIRA

- **Response to the call of the world to go “clean and green”**
- **Seeks to integrate renewable energy into economy**
- **Aims to exploit country’s vast RE resources**
- **Optimizes use of RE resources**

Aggressive development of the country's renewable energy resources

- o biomass
- o solar
- o wind
- o ocean resources



- 1. In consultation with the National Renewable Energy Board (NREB), ERC shall promulgate feed-in-tariff system rules;**
- 2. Develop a Price Determination Methodology (PDM) particular for the Renewable Energy Market (REM) operations in the Wholesale Electricity Spot Market (WESM);**

1. Implement the Green Energy Option program

- Gives end-users the option to choose RE resources as their sources of energy
- Consumption details are presented in the monthly bill for transparency, consistent with ERC directives;

- 4. Establish net metering interconnection standards and pricing methodology and other commercial arrangements necessary to ensure success of the net-metering for renewable energy program;**

- 5. Promulgate the mechanisms granting incentives to RE Host Communities and local government units (LGUs); and**

-
- 6. ERC will also harmonize all existing rules & regulations to ensure effective implement the RE**
- will amend PGC, PDC, OADS and OATS, among others.

- 1. Create a market environment conducive to private sector investment**
- 2. Develop wide commercial use of locally manufactured RE technology**
- 3. Allow investors to earn a fair return on capital to ensure quality electric service but at least cost to consumers**

- **The Welfare and Interests of the CONSUMERS should be the paramount concern of the initiatives to develop the country's RE resources.**
- **Investors and policy-makers alike must see to it that all actions concerning the promotion of RE as a clean energy source should redound to the benefit of the consuming public.**

Way Forward

- **Capacity building**
- **Technical skills to evaluate emerging clean and renewable energy-based technology**
- **Recruiting and retaining highly trained personnel**
- **Information, education and communication campaign (IEC)**

Let us unite...

Let us all help save mother earth.

**BE AN ADVOCATE of
CLEAN AND GREEN ENERGY.**

END