



Market Surveillance Committee Quarterly Retail Market Assessment Report

26 December 2020 to 25 March 2021

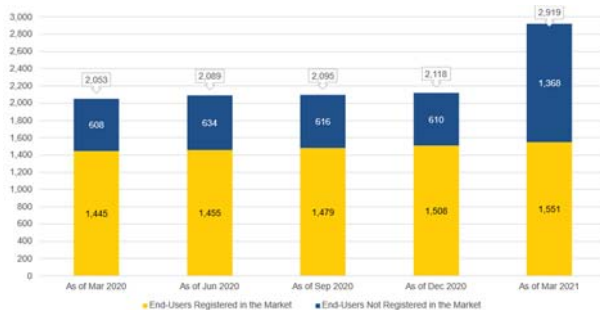
MAY 2021

This Report is prepared by the
Philippine Electricity Market Corporation –
Market Assessment for the
Market Surveillance Committee

The information contained in this document is based on data that are subject to continuous verification by the Philippine Electricity Market Corporation (PEMC). The same information is subject to change as updated figures come in.

CONTESTABLE CUSTOMER PROFILE

QUARTERLY CUMULATIVE NUMBER



- Additional 43 registered Contestable Customers equivalent to a 3% increase from Q4-2020
 - 53% market participation rate from eligible consumers
- Note: Increase in unregistered consumers due to new market threshold (500kW-749kW) starting 26 February 2021*

THRESHOLDS

500-749kW

Period	No. of CCs
As of Mar 2021	13

Registrants accounted to 1%

750-999kW

Period	No. of CCs
As of Mar 2020	329
As of Jun 2020	337
As of Sep 2020	357
As of Dec 2020	373
As of Mar 2021	388

Registrants accounted to 24%

1MW & ABOVE

Period	No. of CCs
As of Mar 2020	1,116
As of Jun 2020	1,118
As of Sep 2020	1,122
As of Dec 2020	1,135
As of Mar 2021	1,150

Registrants accounted to 75%

- Steady increase in participation in various thresholds despite the Supreme Court TRO
- The ERC has lowered the threshold starting 26 Feb which immediately recorded 13 new registrants

PER RETAIL ACTIVITY



COMMERCIAL

Period	No. of CCs
As of Mar 2020	758
As of Jun 2020	768
As of Sep 2020	780
As of Dec 2020	802
As of Mar 2021	829



INDUSTRIAL

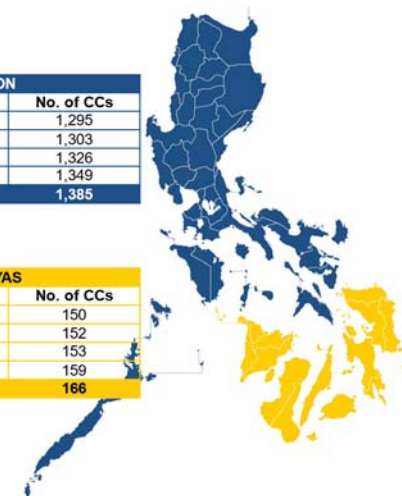
Period	No. of CCs
As of Mar 2020	687
As of Jun 2020	687
As of Sep 2020	699
As of Dec 2020	706
As of Mar 2021	722

47% Contestable Customers engaged in industrial activities, 53% were in commercial activities

PER LOCATION

LUZON	
Period	No. of CCs
As of Mar 2020	1,295
As of Jun 2020	1,303
As of Sep 2020	1,326
As of Dec 2020	1,349
As of Mar 2021	1,385

VISAYAS	
Period	No. of CCs
As of Mar 2020	150
As of Jun 2020	152
As of Sep 2020	153
As of Dec 2020	159
As of Mar 2021	166



89% of Contestable Customers were located in Luzon, the rest were Visayas-based

Note: RCOA is only implemented in regions within WESM operations

BY AVERAGE CONSUMPTION

Region	1 MWh and below	Above 1 MWh to 5 MWh	Above 5 MWh to 10 MWh	Above 10 MWh to 15 MWh	Above 15 MWh to 20 MWh	Above 20 MWh to 50 MWh	Sub-Total Per Region
LUZON	59.90%	25.15%	2.71%	0.52%	0.71%	0.32%	89.30%
VISAYAS	8.51%	1.87%	0.06%	0.00%	0.13%	0.13%	10.70%
Sub-Total Per Level of Average Energy Consumption	68.41%	27.01%	2.77%	0.52%	0.84%	0.45%	100.00%

Majority of the Contestable Customers had average energy consumption of 1MWh and below by the end of first quarter. So far, there has not been a recorded average consumption above 50MWh.

SUPPLIER PROFILE

QUARTERLY CUMULATIVE NUMBER

3 new Retail Electricity Suppliers:

- Green Core Geothermal, Inc. – 03 December 2020
- AP Renewables, Inc. – 12 February 2021
- Therma Luzon, Inc. – 12 February 2021

Meanwhile, the Waterfront Mactan Casino Hotel, Inc. (WAHCRES) ceased operations due to expiration of license.

SUPPLIER AFFILIATION

Category	No. of Registered Suppliers	with Affiliate Generator		with Affiliate Supplier		with Affiliate DU	
		No. of Suppliers	% of Suppliers	No. of Suppliers	% of Suppliers	No. of Suppliers	% of Suppliers
Retail Electricity Supplier	35	30	86%	21	60%	15	43%
Local Retail Electricity Supplier	14	4	29%	5	36%	5	36%
Supplier of Last Resort	25	5	20%	6	24%	6	24%
Total	74	39	53%	32	43%	26	35%

Majority of the RESs were affiliated with generator participants

Note: Affiliations based on available information from the ERC as of April 2021

	Licensed/Authorized	Registered	With Active Contract
RES	45	35	30
LRES	25	14	4
SoLR	47	25	0

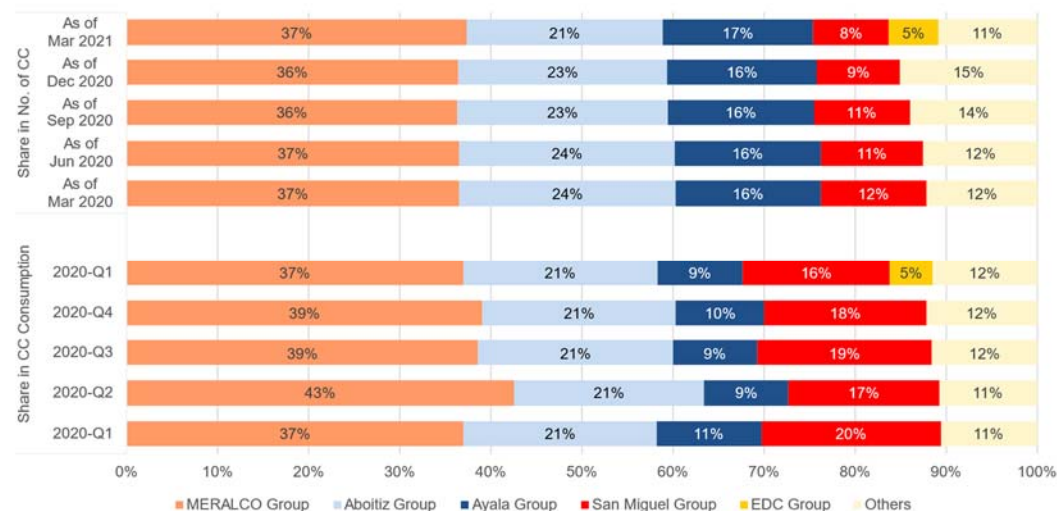
List of registered Suppliers are provided as Annex A

SHARE IN CC (BY NUMBER AND CONSUMPTION)

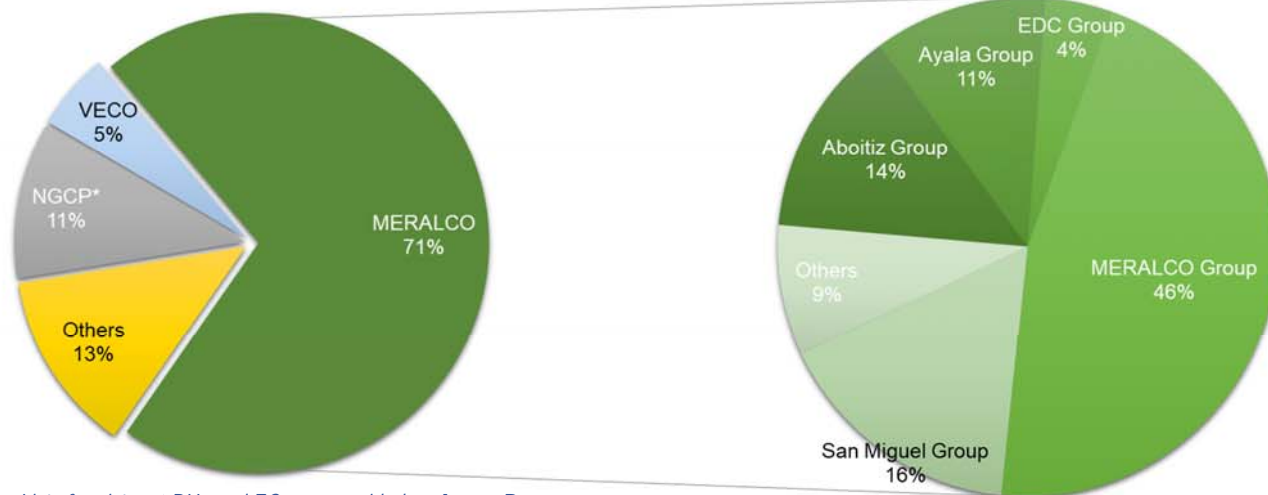
MERALCO Group remained the top entity with the most contracted Contestable Customers at **37%**, and also held the largest share in the total consumption of the Contestable Customers for Q1-2021 at about **37%**

EDC Group is a new major grouping assigned by the ERC in January 2021 recording 5% share in both measures and includes the following Suppliers:

- Bac-Man Geothermal, Inc.
- First Gen Energy Solutions, Inc.
- Green Core Geothermal, Inc.



MARKET STRUCTURE FRANCHISE AREA

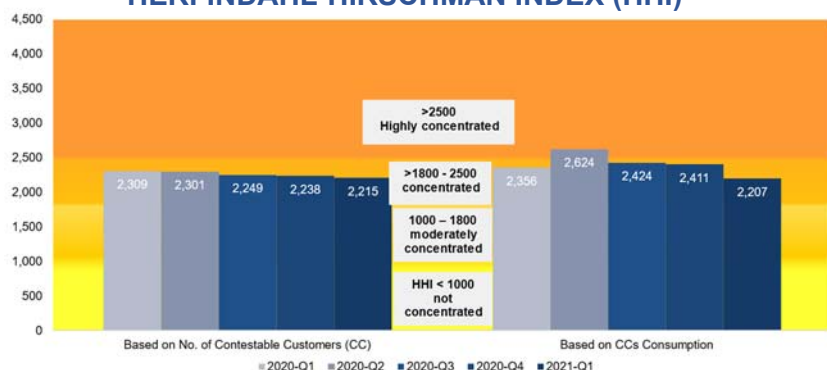


List of registered DUs and ECs are provided as *Annex B*

- Similar with previous quarter, about **71%** total consumption of CCs for Q1-2021 were recorded from **MERALCO Franchise Area**
- About **11%** of total consumption were Directly-Connected to the grid while the remaining **18%** were scattered among other franchise areas

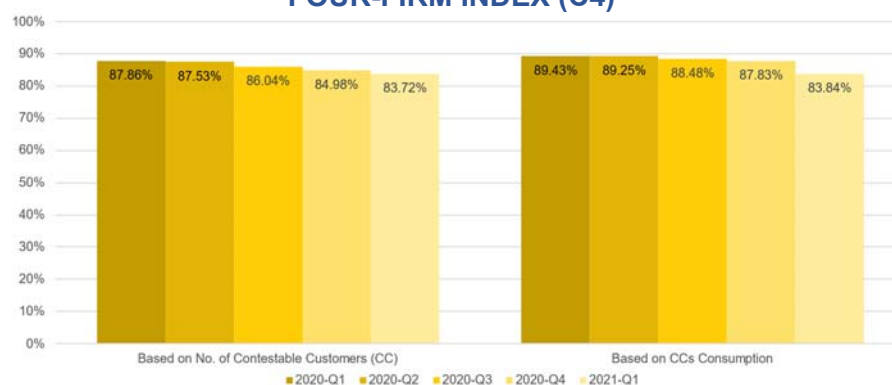
Within the MERALCO franchise area, **46%** were served by the **MRLCOLRE** and its affiliates, while other Suppliers experienced **minimal decreases** in shares

HERFINDAHL-HIRSCHMAN INDEX (HHI)



- Q1-2021 posed a **Concentrated Market** both in terms of share in number of CCs and energy consumption
 - The effects of EDC group's entry in the resulting HHI shows that group only have few consumers but with quite significant energy consumption

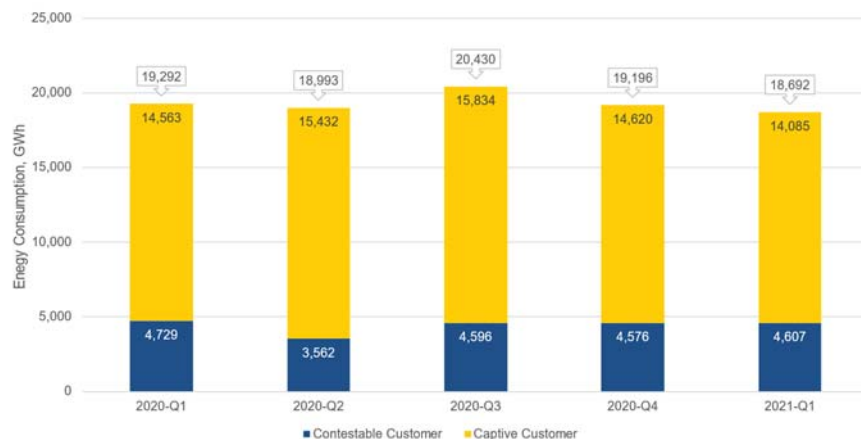
FOUR-FIRM INDEX (C4)



C4 values remained high both at **above 80%** in terms of share in number of CCs and energy consumption for the covered period, but with a **decreasing pattern** which also indicates improvement in market competition

MARKET PERFORMANCE

TOTAL ENERGY CONSUMPTION – SYSTEM



- Changes in consumption:

System	Year-on-Year, %	Quarter-on-quarter, %
Captive Consumers	(3.11)	(2.63)
Contestable Consumers	(3.28)	(3.66)
	(2.58)	0.68

- Generally, the consumption of consumers was still greatly affected by the quarantine measures imposed by the government reducing economic activities to avoid increasing number of infections
- Minimal increase in the consumption of CCs was observed by the end of the Q1 2021

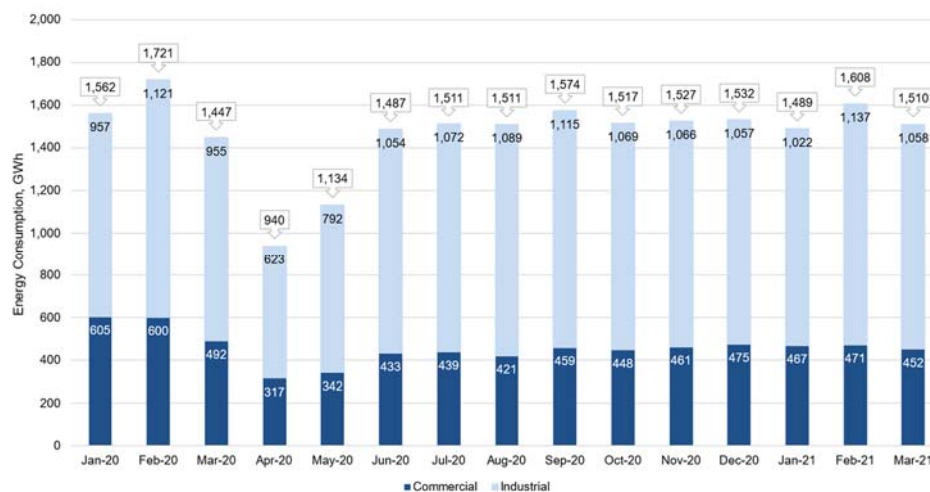
TOTAL ENERGY CONSUMPTION – INDUSTRY TYPE

Industrial CCs

- Higher level of consumption is observed for the entire Q1 of 2021 as compared to 2020 data, even amidst the continuous implementation of quarantine protocols – these CCs may have experienced expansion of businesses in order to assist in combating the pandemic

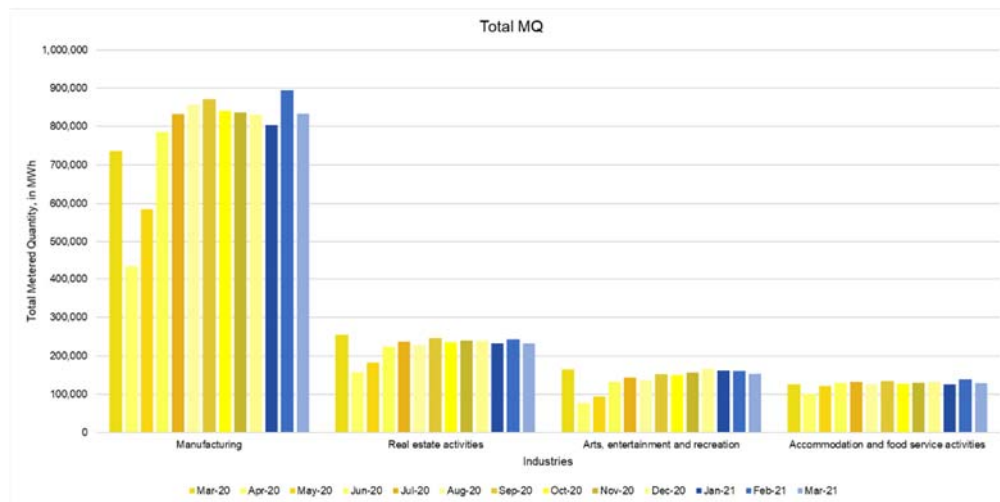
Commercial CCs

- In contrast, lower consumption was recorded for the same period for commercial CCs which include establishments such as mall, hotels, resorts, and the likes which remain to be of limited access to general public, hence, the lower demand

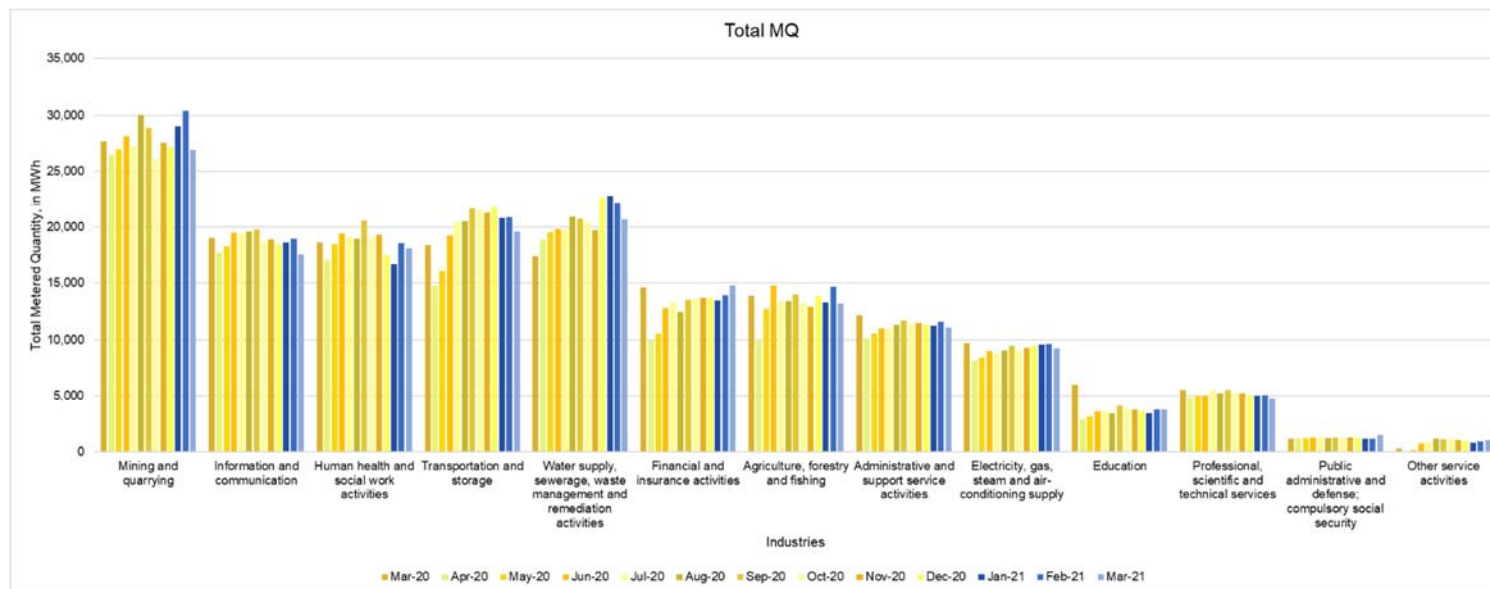


MARKET PERFORMANCE

TOTAL ENERGY CONSUMPTION – BUSINESS TYPE



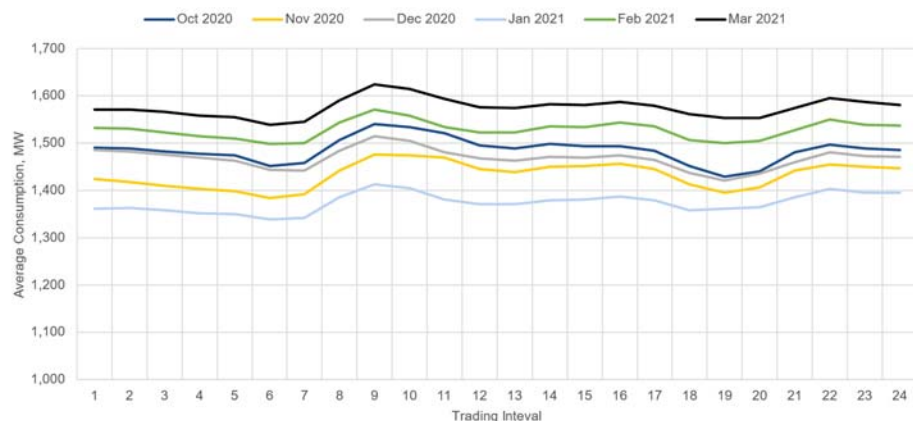
- Looking at the consumption per business type on both figures, **most of the categories** have generally experienced **significant positive rebound**, relative to March and April of 2020, in their operation compared to the period during the strict implementation of the community quarantine
- Some industries, such as **Manufacturing, Mining and quarrying, Hospitals, Transportation, Information and Communication, and Water Supply and Agriculture**, have already experienced increase in their energy consumption. This particular event may have been caused by **unexpected expansion of businesses** to aid in combating the pandemic or by **natural forecasted growth of demand** in these industries



Note: The categorizations used for the business types were based on the 2009 Philippine Standard Industrial Classification (Source: https://psa.gov.ph/sites/default/files/PSA_PSIC_2009.pdf)

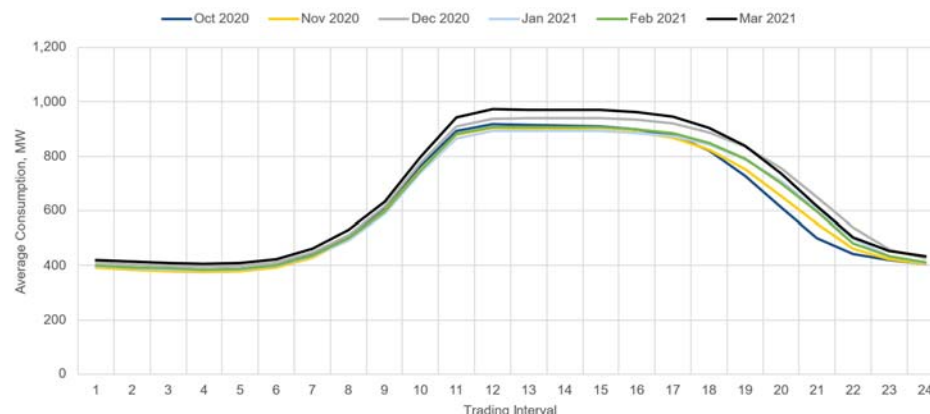
MARKET PERFORMANCE

LOAD PROFILE - INDUSTRIAL



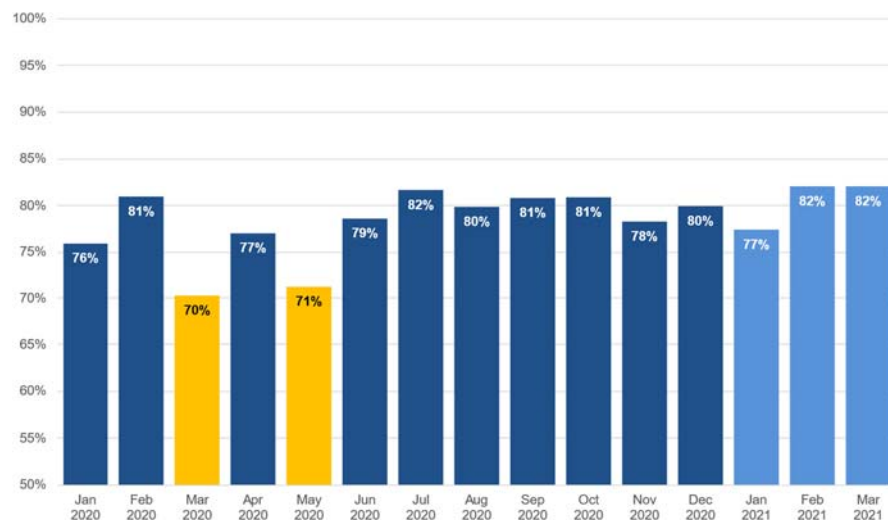
- Consistent with previous discussion, March 2021 has already been the highest load profile for a 6-month comparison even still being under community quarantine
- 3 constant dips were observed for the months in comparison which signifies that CCs were operating in 3 shifts (0700H, 1300H, and 1900H)

LOAD PROFILE - COMMERCIAL



The shift in the peak demand was still observed for the months in comparison – from the normal peak of 1000H – 2100H to 1000H – 1800H. This is consistent with the limited operations imposed on commercial establishments to avoid the spread of the infection.

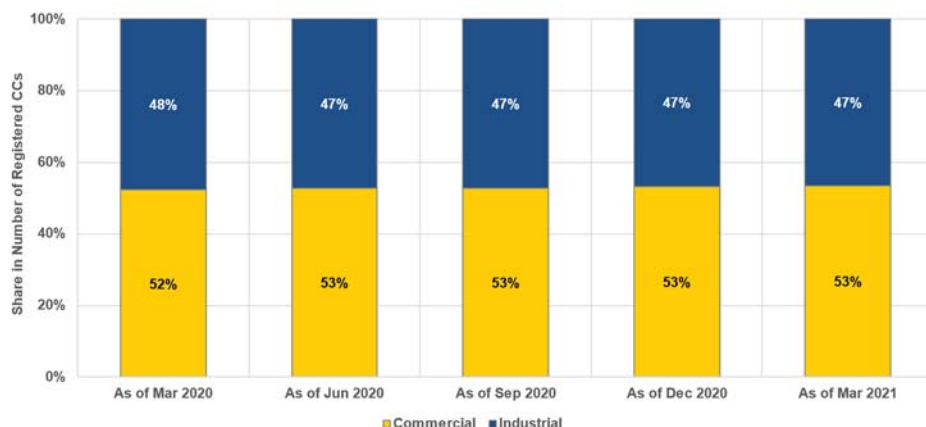
LOAD FACTOR



- Load factor for January – March 2021 improved as compared to the same months of 2020 which further establishes better energy consumption by the Contestable Customers for the period in review
- March and May 2020 remained the months which had the lowest load factors that were affected by sudden change in consumption behavior of the Contestable Customers in compliance with the community quarantine imposed by the government
 - Load factors are calculated using the maximum consumption as compared with the total consumption for a specified time – this relationship highly affect that resulting values of load factors

RETAIL ACTIVITY

CUSTOMER PARTICIPATION



The commercial sector comprises more than half of the Contestable Customers' participation in the retail market, outnumbering the registered industrial Contestable Customers by a few percent.

SWITCHING RATE

- Sixty-five (65) switches were recorded during the first quarter of 2021
- About 20% of the switches for Q1 of 2021 were between Supplier affiliates

Particulars	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021
Switching Rate (Luzon)	1.17%	2.48%	2.63%	0.31%	0.23%	2.07%	1.53%	1.29%	1.13%	1.13%	1.19%	0.37%	0.74%	1.03%	2.09%
Total No. of CCs	1,283	1,288	1,295	1,300	1,299	1,303	1,311	1,317	1,326	1,332	1,341	1,349	1,356	1,362	1,385
Total No. of CCs that Switched	15	32	34	4	3	27	20	17	15	15	16	5	10	14	29
LRES to RES	6	30	17	1		1	6		3	1		1	2		1
RES to LRES	5	2	1							4	1	2	1	10	14
RES to RES	4		16	3	3	26	14	17	12	10	15	2	7	4	14
SOLR to RES															
Switching Rate (Visayas)	2.07%	0.00%	1.33%	1.32%	0.66%	0.00%	0.66%	0.00%	0.65%	0.65%	0.00%	1.26%	1.85%	0.61%	4.82%
Total No. of CCs	145	148	150	151	151	152	152	152	153	153	155	159	162	165	166
Total No. of CCs that Switched	3		2	2	1		1		1	1		2	3	1	8
LRES to RES															
RES to RES	3		2	2	1		2		1	1		2	3	1	8
Switching Rate (Luzon-Visayas)	1.26%	2.23%	2.49%	0.41%	0.28%	1.86%	1.44%	1.16%	1.08%	1.08%	1.07%	0.46%	0.86%	0.98%	2.39%
Total No. of CCs	1,428	1,436	1,445	1,451	1,450	1,455	1,463	1,469	1,479	1,485	1,496	1,508	1,518	1,527	1,551
Total No. of CCs that Switched	18	32	36	6	4	27	21	17	16	16	16	7	13	15	37

ANNEX A – LIST OF SUPPLIERS

Category	No.	Market Participant Name	Short Name
Retail Electricity Supplier	35	Aboitiz Energy Solutions, Inc.	AESIRES
		AC Energy Philippines, Inc.(formerly PHINMA Energy Corporation-RES)	ACEPHRES
		AC Energy Holdings, Inc.	ACERES
		AdventEnergy, Inc.	ADVENTRES
		Anda Power Corporation RES	ANDARES
		AP Renewables, Inc.	APRIRES
		Bac-Man Geothermal, Inc.	BGIRES
		Citicore Energy Solutions, Inc.	CESIRES
		Corenergy, Inc.	CORERES
		DirectPower Services, Inc.	DIRPOWRES
		Ecozone Power Management, Inc.	EPMIRES
		FDC Retail Electricity Sales Corporation	FDCRESC
		First Gen Energy Solutions, Inc.	FGESRES
		Global Energy Supply Corporation	GESCRESC
		GNPower Ltd. Co.	GNPLCRES
		Green Core Geothermal, Inc.	GCGIRES
		KEPCO SPC Power Corporation	KSPCRES
		Kratos RES, Inc.	KRATOSRES
		Mabuhay Energy Corporation	MECORES
		Manta Energy, Inc.	MANTARES
		Masinloc Power Partners Company Limited	MPPCLRES
		Mazzaraty Energy Corporation	MACRES
		MeridianX Inc.	MERXRES
		Millennium Power RES, Inc.	MPRIRES
		Premier Energy Resources Corporation	PERCRES
		Prism Energy, Inc.	PRISMRES
		San Miguel Electric Corporation	SMELCRES
		SEM-Calaca RES Corporation	SCRCRES
		SMC Consolidated Power Corporation	SMCCPCRES
		SN Aboitiz Power-RES, Inc.	SNAPRES
		Solar Philippines Retail Electricity, Inc.	SPREIRES
		Solvre, Inc.	SOLVRERES
		TeaM (Philippines) Energy Corporation	TPECRES
		Therma Luzon, Inc.	TLIRES
		Vantage Energy Solutions and Management, Inc.	VESMIRES

Category	No.	Market Participant Name	Short Name
Local Retail Electricity Supplier	14	Batangas II Electric Cooperative, Inc.	BTLC2LRE
		Camarines Sur II Electric Cooperative, Inc.	CASUR2LRE
		Cebu I Electric Cooperative, Inc.	CEBEC1LRE
		Cebu II Electric Cooperative, Inc.	CEBEC2LRE
		Central Negros Electric Cooperative, Inc.	CENECOLRE
		Clark Electric Distribution Corporation LRES	CEDCLRE
		Dagupan Electric Corporation	DECORPLRE
		Ilocos Norte Electric Cooperative, Inc.	INECLRE
		Mactan Enerzone Corporation LRES	MEZLRE
		Manila Electric Company	MRLCOLRE
		San Fernando Electric Light & Power Co., Inc.	SFELAPLRE
		Subic Enerzone Corporation	SEZLRE
		Tarlac Electric, Inc.	TEILRE
		Visayan Electric Company, Inc.	VECOLRE
Supplier of Last Resort	25	Angeles Electric Corporation	AECSLR
		Balamban Enerzone Corporation	BEZSLR
		Batangas II Electric Cooperative, Inc.	BTLC2SLR
		Benguet Electric Cooperative, Inc.	BENECOSLR
		Bohol I Electric Cooperative, Inc.	BOHECO1SLR
		Bohol Light Company, Inc.	BLCISLR
		Cabanatuan Electric Corporation	CELCOSLR
		Camarines Sur II Electric Cooperative, Inc.	CASUR2SLR
		Cebu I Electric Cooperative, Inc.	CEBEC1SLR
		Cebu II Electric Cooperative, Inc.	CEBEC2SLR
		Clark Electric Distribution Corporation	CEDCSLR
		Dagupan Electric Corporation	DECORPSLR
		Ilocos Norte Electric Cooperative, Inc.	INECSLR
		Ilocos Sur Electric Cooperative, Inc.	ISECOSLR
		Isabela I Electric Cooperative, Inc.	ISLCO1SLR
		La Union Electric Cooperative, Inc.	LUELCO1SLR
		Mactan Electric Company, Inc.	MECOSLR
		Mactan Enerzone Corporation	MEZSLR
		Manila Electric Company	MRLCOSLR
		Negros Oriental II Electric Cooperative, Inc.	NRECO2SLR
		Subic Enerzone Corporation	SEZSLR
		Tarlac Electric, Inc.	TEISLR
		Tarlac I Electric Cooperative, Inc.	TRLCO1SLR
		Tarlac II Electric Cooperative, Inc.	TRLCO2SLR
		Visayan Electric Company, Inc.	VECOSLR

ANNEX B – LIST OF DISTRIBUTION UTILITIES AND ELECTRIC COOPERATIVES

No.	Short Name	Distribution Utility/ Economic Zone	No.	Short Name	Distribution Utility/ Economic Zone
1	AEC	Angeles Electric Corporation	30	LEZ	LIMA Enerzone Corporation
2	AFAB	Authority of the Freeport Area of Bataan	31	LUELCO	La Union Electric Cooperative, Inc.
3	AKELCO	Aklan Electric Cooperative, Inc.	32	MECO	Mactan Electric Company
4	ALECO	Albay Electric Cooperative, Inc.	33	MERALCO	Manila Electric Company
5	ANTECO	Antique Electric Cooperative, Inc.	34	MEZ	Mactan Economic Zone
6	BATELEC I	Batangas I Electric Cooperative, Inc.	35	MORECO	MORE Electric and Power Corporation
7	BATELEC II	Batangas II Electric Cooperative	36	NEECO I	Nueva Ecija I Electric Cooperative, Inc.
8	BEZ	Balamban Enerzone Corporation	37	NOCECO	Negros Occidental Electric Cooperative, Inc.
9	BLCI	Bohol Light Company, Inc.	38	NONECO	Northern Negros Electric Cooperative, Inc.
10	BOHECO I	Bohol I Electric Cooperative, Inc.	39	NORECO II	Negros Oriental II Electric Cooperative, Inc.
11	CAGELCO I	Cagayan1 Electric Cooperative, Inc.	40	OEDC	Olongapo Electricity Distribution Company
12	CAGELCO II	Cagayan II Electric Cooperative, Inc.	41	PANELCO III	Pangasinan III Electric Cooperative, Inc.
13	CAPELCO	Capiz Electric Cooperative	42	PECO	Panay Electric Co., Inc.
14	CASURECO II	Camarines Sur II Electric Cooperative, Inc.	43	PELCO I	Pampanga I Electric Cooperative, Inc.
15	CEBECO I	Cebu I Electric Cooperative, Inc.	44	PELCO II	Pampanga II Electric Cooperative, Inc.
16	CEBECO II	Cebu II Electric Cooperative, Inc.	45	PELCO III	Pampanga III Electric Cooperative, Inc.
17	CEDC	Clark Electric Distribution Corporation	46	PENELCO	Peninsula Electric Cooperative, Inc.
18	CELCOR	Cabanatuan Electric Corporation	47	PEZA	Philippine Economic Zone Authority
19	CENECO	Central Negros Electric Cooperative, Inc.	48	QUEZELCO I	Quezon I Electric Cooperative, Inc.
20	CENPELCO	Central Pangasinan Electric Cooperative, Inc.	49	SAMELCO I	Samar I Electric Cooperative, Inc.
21	DECORP	Dagupan Electric Corporation	50	SEZ	Subic EnerZone Corporation
22	DORELCO	Don Orestes Electric Cooperative, Inc.	51	SFELAPCO	San Fernando Electric Light and Power Company, Inc.
23	FIT	First Industrial Township Utilities, Inc.	52	SORECO II	Sorsogon II Electric Cooperative, Inc.
24	ILECO I	Iloilo I Electric Cooperative, Inc.	53	TARELCO I	Tarlac I Electric Cooperative, Inc.
25	INEC	Ilocos Norte Electric Cooperative, Inc.	54	TARELCO II	Tarlac II Electric Cooperative, Inc.
26	ISECO	Ilocos Sur Electric Cooperative, Inc.	55	TEI	Tarlac Electric, Inc.
27	ISELCO I	Isabela I Electric Cooperative, Inc.	56	VECO	Visayan Electric Company, Inc.
28	LEYECO II	Leyte II Electric Cooperative, Inc.	57	NGCP ¹	National Grid Corporation of the Philippines
29	LEYECO V	Leyte V Electric Cooperative, Inc.			

¹ For Directly Connected Contestable Customers