



# **Market Surveillance Committee Quarterly Retail Market Assessment Report**

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**26 March to 25 June 2021**

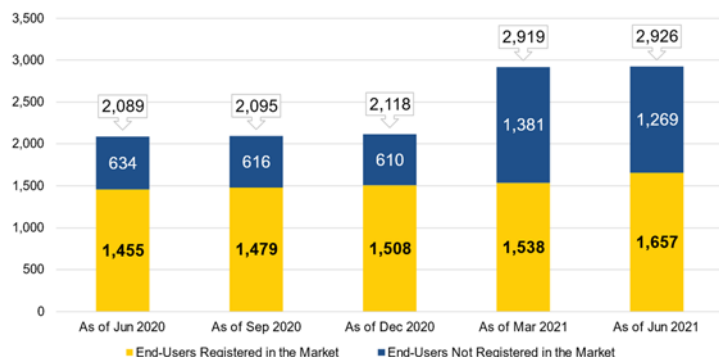
**AUGUST 2021**

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 119 registered Contestable Customers equivalent to an 8% increase from Q1-2021
- 57% market participation rate from eligible consumers

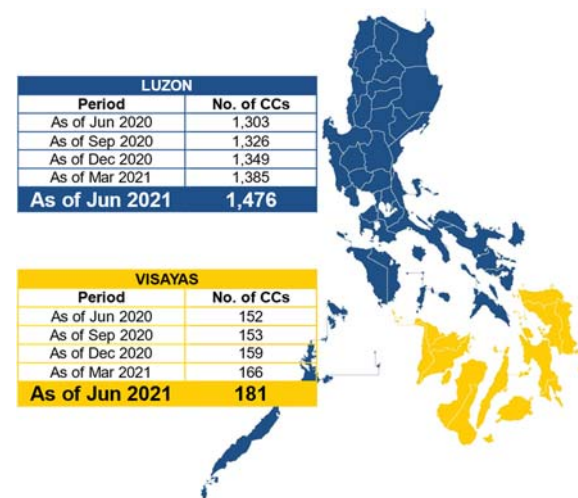
*Note: Increase in unregistered consumers due to new market threshold (500kW-749kW) starting 26 February 2021*

### PER RETAIL ACTIVITY



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

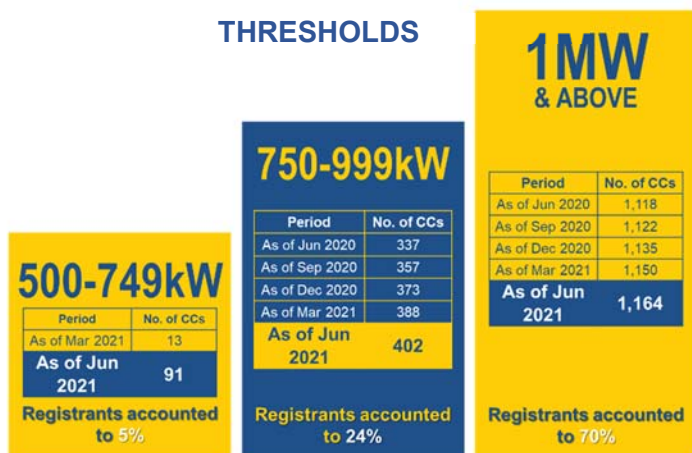
### PER LOCATION



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

*Note: RCOA is only implemented in regions with WESM operations*

### THRESHOLDS



- Steady increase in participation in various thresholds despite the Supreme Court TRO
- The ERC has lowered the threshold starting 26 Feb which now recorded 91 total registrants

### 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	62.27%	22.72%	2.53%	0.54%	0.54%	0.42%	89.03%
VISAYAS	8.98%	1.63%	0.12%	0.06%	0.06%	0.12%	10.97%
Sub-Total Per Level of Average Energy Consumption	71.25%	24.35%	2.65%	0.60%	0.60%	0.54%	100.00%

- Increase in the number of Contestable Customers which had average energy consumption of 1MWh and below by the end of second quarter, due to high entry of participants in the new threshold
- So far, there has not been a recorded average consumption above 50MWh

## SUPPLIER PROFILE

### QUARTERLY CUMULATIVE NUMBER

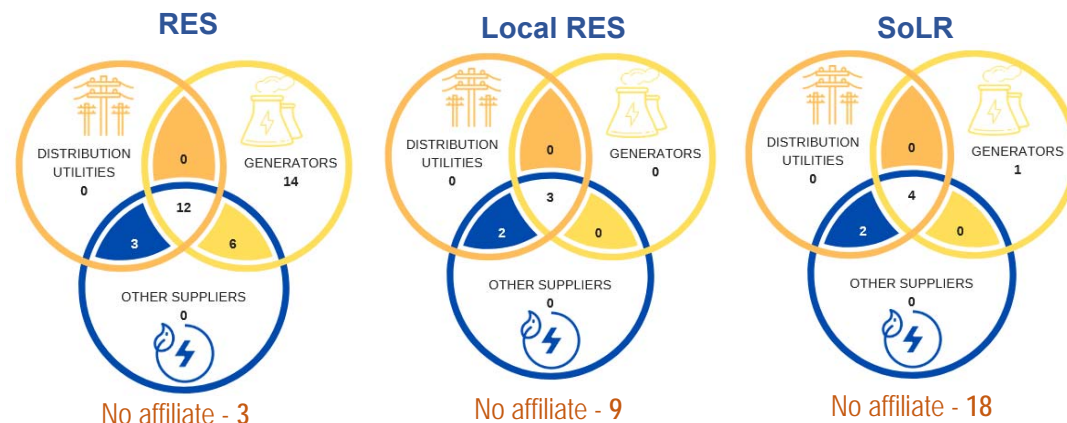
3 new Retail Electricity Suppliers:

- SN Aboitiz Power - Magat, Inc. – 05 March 2021
- PetroGreen Energy Corporation – 20 April 2021
- EEI Energy Solutions Corporation – 26 April 2021

	Licensed/Authorized	Registered	With Active Contract
<b>RES</b>	<b>46</b>	<b>38</b>	<b>33</b>
<b>LRES</b>	<b>25</b>	<b>14</b>	<b>4</b>
<b>SoLR</b>	<b>47</b>	<b>25</b>	<b>0</b>

List of registered Suppliers are provided as Annex A

### SUPPLIER AFFILIATION



Majority of the Suppliers are affiliated with generator participants

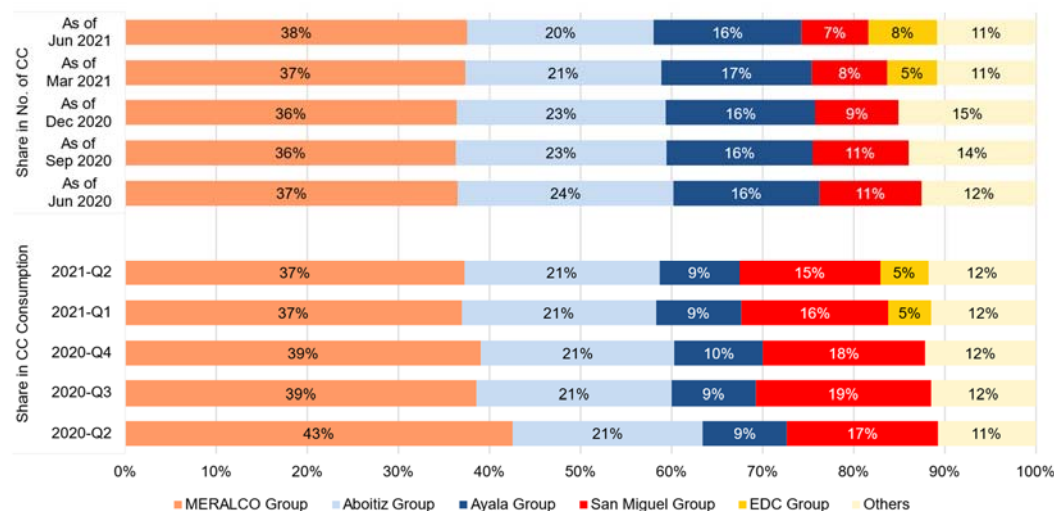
Note: Affiliations based on available information from the ERC as of June 2021

## SHARE IN CONTESTABLE CUSTOMER (BY NUMBER AND CONSUMPTION)

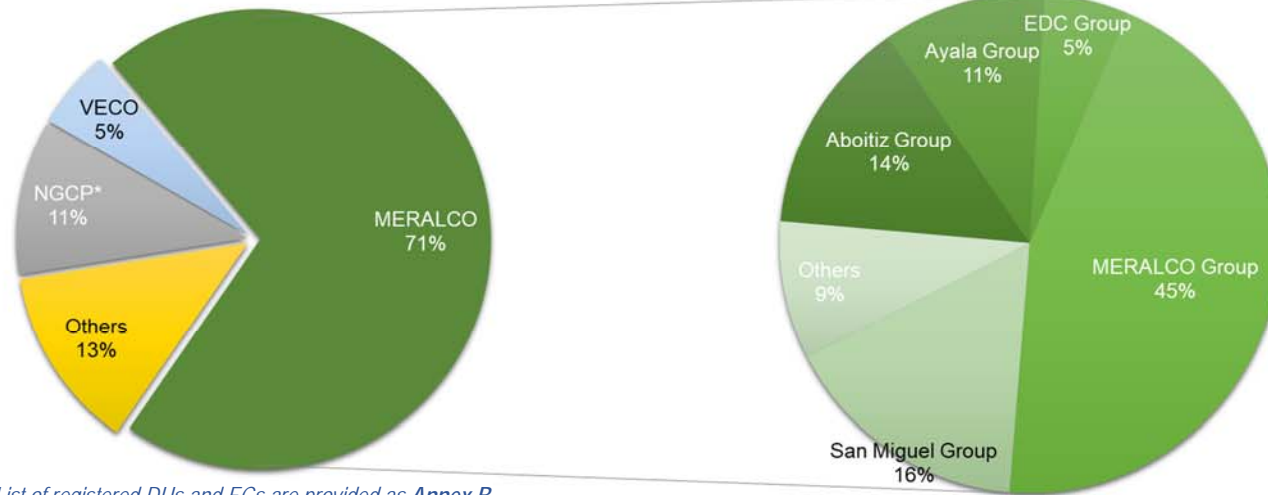
**MERALCO Group** remained the top entity with the most contracted Contestable Customers at **38%**, which is attributable to **increasing participation** in the **new threshold level**. It also held the largest share in the total consumption of the Contestable Customers for Q2-2021 at about **37%**

**EDC Group** increased in engaged number of Contestable Customer at **8%** while retaining the same share in total consumption. Meanwhile, **San Miguel Group's** share **had decreasing trend** over the periods considered

**Other groups** experienced **minimal changes** in shares, both in Contestable Customers engaged and total consumption



## MARKET STRUCTURE FRANCHISE AREA

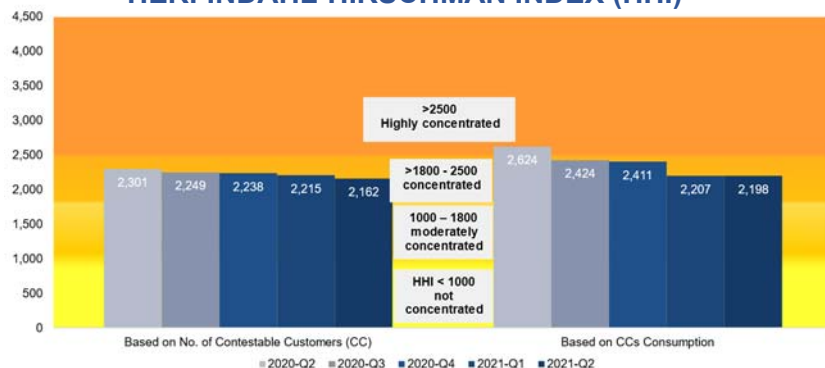


List of registered DUs and ECs are provided as *Annex B*

- Similar with previous quarter, about **71%** total consumption of CCs for Q2-2021 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

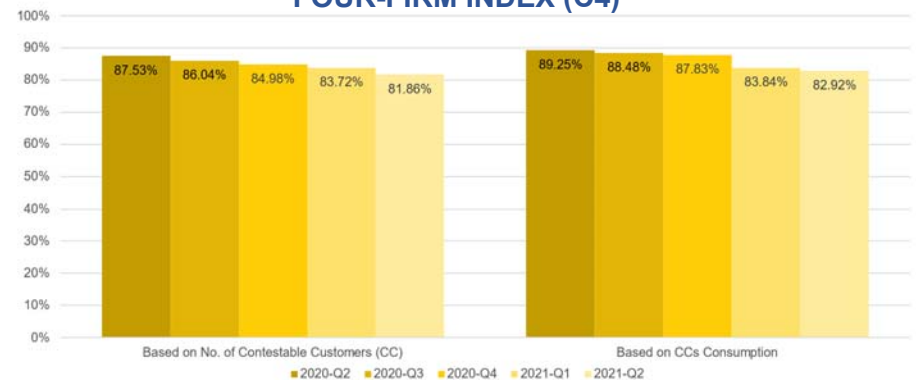
Inside MERALCO franchise area, **45%** were served by the **MRLCOLRE** and its affiliates, while other Suppliers experienced **minimal changes** in shares

## HERFINDAHL-HIRSCHMAN INDEX (HHI)



Q2-2021 remained a **Concentrated Market** both in terms of share in number of Contestable Customers and energy consumption, but with **declining pattern** that signals better competition for the market

## FOUR-FIRM INDEX (C4)

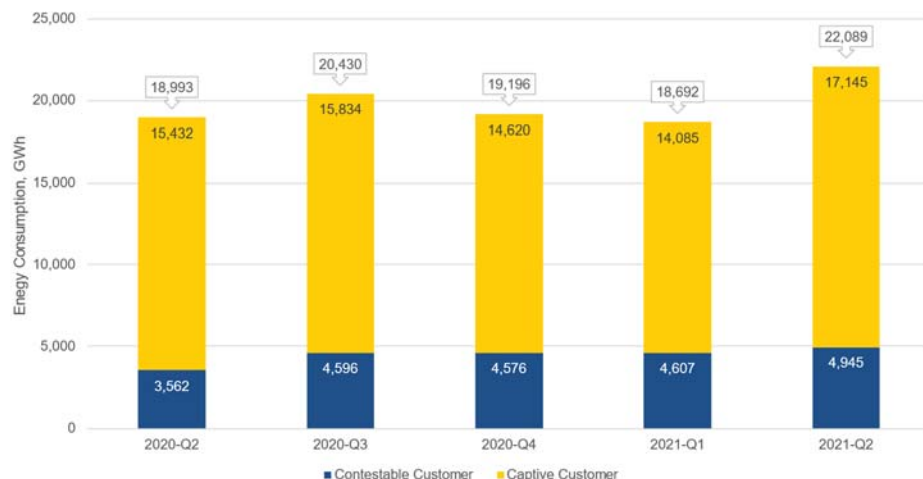


C4 values remained high at **above 80%** both in terms of share in number of Contestable Customers and energy consumption for the covered period, and in the same manner with HHI, had a **decreasing trend** which also indicates improvement in market competition



## MARKET PERFORMANCE

### TOTAL ENERGY CONSUMPTION – SYSTEM



#### Changes in Consumption

	Year-on-Year, %	Quarter-on-quarter, %
System	16.30	18.17
Captive Consumers	11.10	21.72
Contestable Consumers	38.83	7.33

In general, the consumption of the consumers during the period in review, **grew substantially** compared to the previous year and quarter. These were driven by various contributory factors, among others:

- **natural growth** in demand as forecasted by the DOE
- **high temperature** due to the summer season
- **distributed consumptions** brought about by the implementation of work- or study-from-home arrangements to avoid the spread of the COVID-19 Pandemic

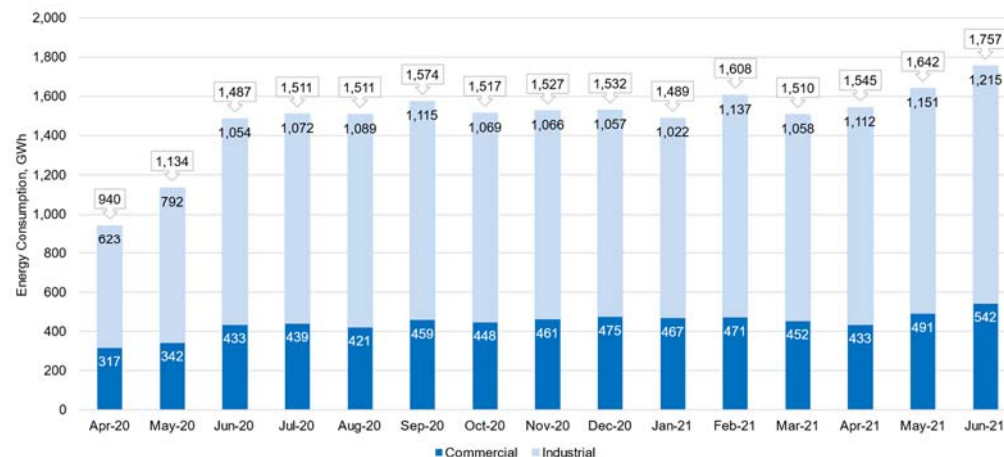
### TOTAL ENERGY CONSUMPTION – INDUSTRY TYPE

#### Industrial Contestable Customers

- **Higher level of consumption** was observed for the entire Q2 of 2021 as compared to 2020 data and even amidst the continuous implementation of quarantine protocols
- Among the contributory factors were the **entry of participants in the new thresholds** and continuous or expanded operations of **essential businesses** in the fight with the pandemic

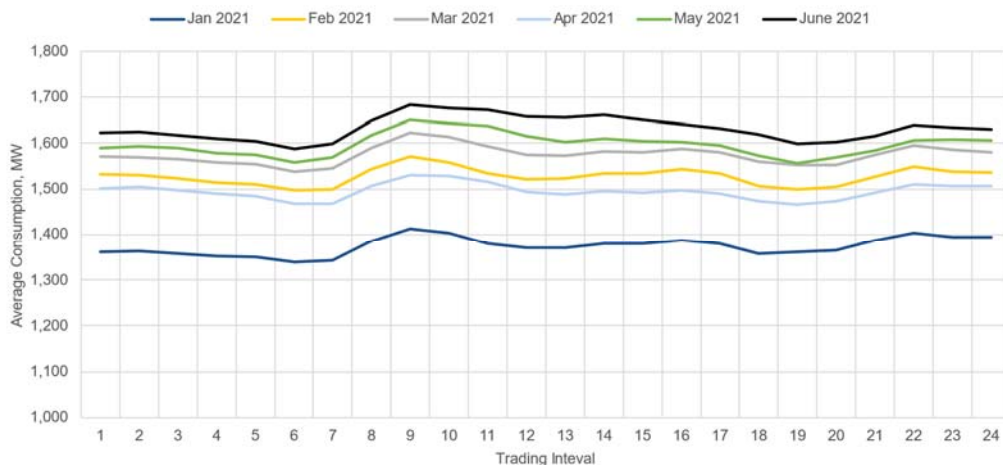
#### Commercial Contestable Customers

- **Increase in consumption** was likewise recorded for the same comparison for commercial CCs which may have been influenced by the participants in the new market threshold



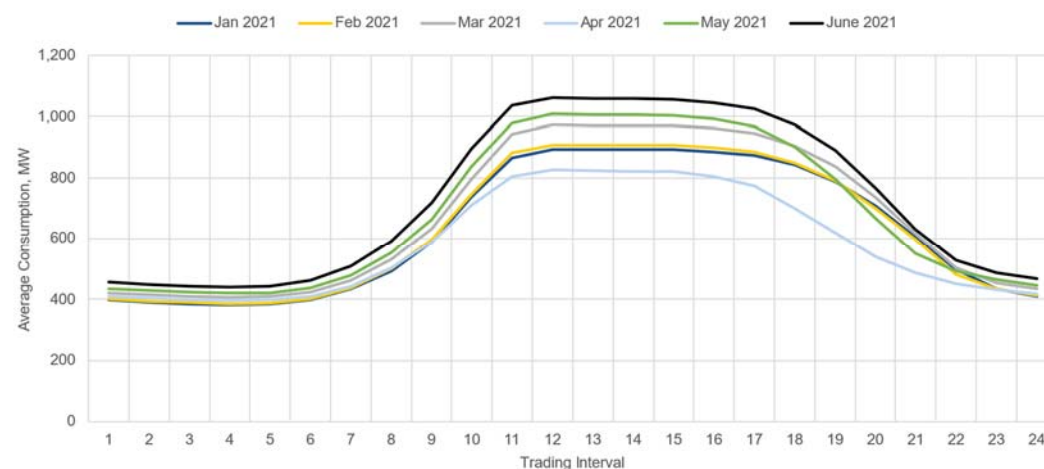
## MARKET PERFORMANCE

### LOAD PROFILE - INDUSTRIAL



- Consistent with previous discussion, **June 2021** has already been the **highest load profile** for a 6-month comparison even though being under community quarantine
- For the quarter in review, **April 2021** posed a **low average consumption** which was brought about by the strict **re-implementation of quarantine measures** following the rise in the cases of COVID-19 infections. In addition, **holidays** were observed during the month such as the Day of Valor and Holy Week
- 3 consistent dips** were observed for the months in comparison which signifies that CCs were observing **three (3) breaks or exchange of shifts** among employees (0700H, 1300H, and 1900H)

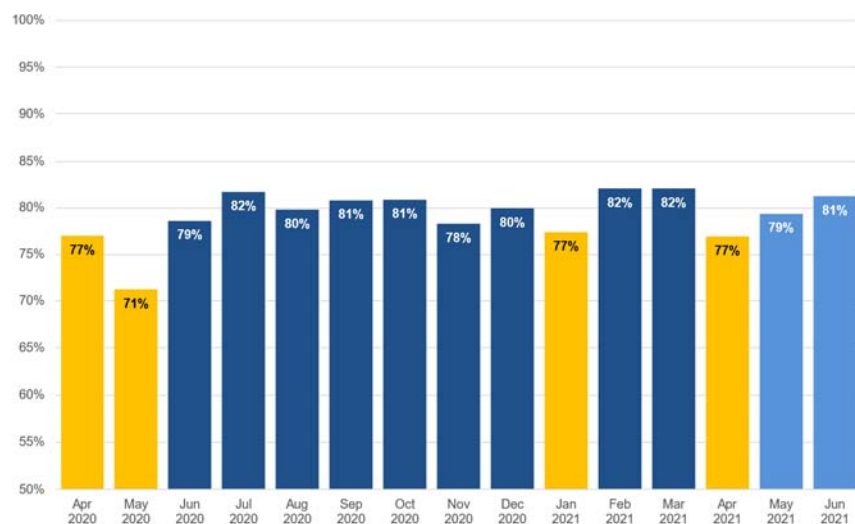
### LOAD PROFILE - COMMERCIAL



- The **shift in the peak demand** was still observed for the months in comparison – from the normal peak of 1000H – 2100H to **1000H – 1800H**
- The effects of the **strict quarantine measures** implemented in **April 2021** was likewise evident in the load profile of the said month, even lower than January 2021
- This was still consistent with the **limited operations** imposed on commercial establishments to avoid the spread of the infection

## MARKET PERFORMANCE

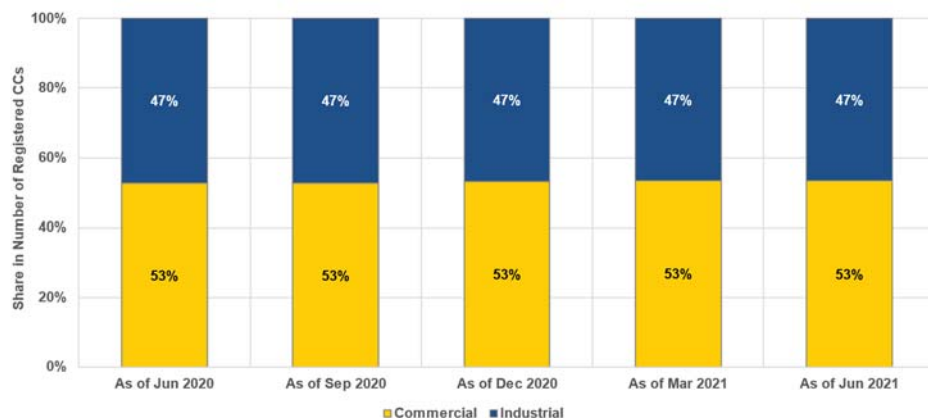
### LOAD FACTOR



- In relation to the discussions above, the load factor of CCs for April to June 2021 may have been **highly affected** by the **reinstatement of restrictions and holidays** during the start of the quarter and had **increasing values up to June**, signifying **normalization**, and efficiency of consumption
- April and May 2020, and January and April 2021 were months which had the **lowest load factors** that were affected by the **sudden change in consumption** behavior of the Contestable Customers in compliance with the community quarantine imposed by the government and the expected sudden lowered demand during the long holidays
  - Load factors are calculated using the maximum consumption as compared with the total consumption for a specified time – this relationship highly affects the 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.

## RETAIL ACTIVITY

### SWITCHING RATE

- Fifty (50) switches were recorded during the second quarter of 2021
- About 42% of the switches for Q2 of 2021 were between Supplier affiliates

Particulars	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
<b>Switching Rate (Luzon)</b>	<b>0.31%</b>	<b>0.23%</b>	<b>2.07%</b>	<b>1.53%</b>	<b>1.29%</b>	<b>1.13%</b>	<b>1.13%</b>	<b>1.19%</b>	<b>0.37%</b>	<b>0.74%</b>	<b>1.03%</b>	<b>2.09%</b>	<b>1.41%</b>	<b>0.62%</b>	<b>0.88%</b>
Total No. of CCs	1,300	1,299	1,303	1,311	1,317	1,326	1,332	1,341	1,349	1,356	1,362	1,385	1,416	1,442	1,476
Total No. of CCs that Switched	4	3	27	20	17	15	15	16	5	10	14	29	20	9	13
LRES to RES	1		1	6		3	1		1	2		1		1	
RES to LRES							4	1	2	1	10	14	3		
RES to RES	3	3	26	14	17	12	10	15	2	7	4	14	17	8	13
SOLR to RES															
<b>Switching Rate (Visayas)</b>	<b>1.32%</b>	<b>0.66%</b>	<b>0.00%</b>	<b>0.66%</b>	<b>0.00%</b>	<b>0.65%</b>	<b>0.65%</b>	<b>0.00%</b>	<b>1.26%</b>	<b>1.85%</b>	<b>0.61%</b>	<b>4.82%</b>	<b>2.96%</b>	<b>1.12%</b>	<b>0.55%</b>
Total No. of CCs	151	151	152	152	152	153	153	155	159	162	165	166	169	179	181
Total No. of CCs that Switched	2	1		1		1	1		2	3	1	8	5	2	1
LRES to RES															
RES to RES	2	1		2		1	1		2	3	1	8	5	2	1
<b>Switching Rate (Luzon-Visayas)</b>	<b>0.41%</b>	<b>0.28%</b>	<b>1.86%</b>	<b>1.44%</b>	<b>1.16%</b>	<b>1.08%</b>	<b>1.08%</b>	<b>1.07%</b>	<b>0.46%</b>	<b>0.86%</b>	<b>0.98%</b>	<b>2.39%</b>	<b>1.58%</b>	<b>0.68%</b>	<b>0.84%</b>
Total No. of CCs	1,451	1,450	1,455	1,463	1,469	1,479	1,485	1,496	1,508	1,518	1,527	1,551	1,585	1,621	1,657
Total No. of CCs that Switched	6	4	27	21	17	16	16	16	7	13	15	37	25	11	14

## OTHER ACTIVITIES

The DOE recently promulgated **enhancements to the Retail Competition and Open Access (RCOA) Market procedures** through the promulgation of its Department Circular No. 2021-06-0012. Highlights of the enhancements include:

- Optional WESM registration for Contestable Customers
- Full RCOA Market Registry
- Reduced timeframe for switching process from one Supplier to another
- Interim procedures for Metering data
- Clarificatory and minor enhancements



## ANNEX A – LIST OF SUPPLIERS

Category	No.	Market Participant Name	Short Name
Retail Electricity Supplier	38	Aboitiz Energy Solutions, Inc.	AESIRES
		AC Energy Philippines, Inc.	ACEPHRES
		AC Energy, Inc. (formerly 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
		EEl Energy Solutions Corporation	EEIRES
		FDC Retail Electricity Sales Corporation	FDCRESC
		First Gen Energy Solutions, Inc.	FGESRES
		Global Energy Supply Corporation	GESCRES
		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
		PetroGreen Energy Corporation	PGECRES
		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- Magat, Inc.	SNAPMIRES
		SN Aboitiz Power- RES, Inc.	SNAPRES
		Solar Philippines Retail Electricity, Inc.	SPREIRES
		Solvre, Inc.	SOLVRES
		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.	LUELCOSLR
		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 <sup>1</sup>	National Grid Corporation of the Philippines
29	LEYECO V	Leyte V Electric Cooperative, Inc.			

<sup>1</sup> For Directly Connected Contestable Customers