



JAN 2 0 2022

Regulatory Advisory No. 2022-002

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : Conduct of Competitive Selection Process (CSP) of the Electric Cooperatives (ECs)

This is in line with NEA Memorandum No.2019-035 with subject, "Department Circular No. DC2018-02-0003 entitled "Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market" and its Corresponding IRR as approved by the NEA Board with Resolution No. 16 dated 24 January 2019", this is to remind compliance on Item No. 6 thereof.

Hence, all ECs with Power Supply Agreements (PSAs) expiring in about three to five (3 to 5) years as of date, is highly suggested to commence the conduct of your respective CSPs to ensure continuous and sufficient power supply in your area.

We look forward to your usual cooperation and compliance.

Thank you.

TE7A Administrator





The 1st Performance Government Center, Diliman, Quezon City 1100





27 June 2019

MEMORANDUM No. 2019-035

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : Department Circular No. DC2018-02-0003 entitled "Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market" and its Corresponding IRR as approved by NEA Board with Resolution No. 16 dated 24 January 2019

It has been observed that the influx of ECs' request for Certificate of Exemption (COE) from the Department of Energy (DOE) is continuously escalating and some of which have similar concerns that do not warrant an exemption.

In order to expedite the process of power supply procurement, please be apprised of the following:

- Section 2.2 of DOE DC2018-02-0003 and Section 2 of NEA's IRR of the Policy of the Conduct of ECs Power Supply Procurement enumerate instances exempting ECs in the conduct of CSP. Hence, Certificate of Exemption (COE) shall be issued by DOE as stated in Section 2.3;
- 2. ECs which are connected to the grid and have high WESM exposure are not included in Section 2.2 therefore, shall not warrant an exemption;
- 3. Power Supply from Joint Venture (JV) projects of ECs shall still undergo the CSP;
- ECs Power Supply Procurement Plan (PSPP) must be aligned with ECs Distribution Development Plan (DDP);
- ECs are required to organize and secure the approval of the Third Party Bids and Awards Committee (TPBAC) selection process to DOE as stated in Section 5 of DC2018-02-0003; and
- 6. ECs with expiring Power Supply Agreements (PSAs) in 3 to 5 years, can start the conduct of CSP on power supply procurement to ensure the continuous and sufficient power supply.

NATIONAL ELECTRIFICATION ADMINISTRATION

NEA-0A26146

For your guidance and strict compliance.

