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6.) Is the proposed model in the Philippines suitable for Mindanao? If not why? Identify and discuss a possible model that would suite for Mindanao.

Answer:

As of now, the proposed model (as per EPIRA Law) is not yet suitable for Mindanao since we are not yet connected to the grid, the VISAYAS grid interconnecting LUZON grid. Making it so, Mindanao will not be able to exercise or enjoy the electricity market due to the limitation that exists. In the EPIRA Law, aside from end users able to buy in GENCOS through two markets, the Bilateral Contract Market and Spot Market (WESM). The former allows the end user to make a long-term contract from GENCOS (IPP's) while the latter offers a spot deal like you are going to buy electricity every hour offering or having a unit product requirement of 1MW/hr. EPIRA Law also created the retail of electricity supply, where the Retail Electricity Supplier(RES) under Retail Competition and Open Access, that supposedly the end user has the liberty to choose its own retail electricity supplier. If the end user has large demand, they can directly buy to the market through Spot Market and Bilateral Contract with GENCOS, while if smaller demand, the end user should be able to choose its own retail electricity supplier. However, this market competition will not be applicable to Mindanao as of now.

This model, EPIRA is offering is good for Mindanao granting that the proposed plan of participating in the market through WESM by connecting the grid to the VISAYAS grid. For now, there are a lot of competitors who could join and participate in the Market making Mindanao grid viable. Mindanao can offer a variety of Energy Supplies, combination of renewable and Non-renewable energy sources.