



## Key Takeaways from the CEIA Virtual Dialogue on Accelerating the Philippines' Renewable Energy Transition: Emerging Policy Developments & Lessons Learned from Vietnam

On June 15, 2020, the Clean Energy Investment Accelerator (CEIA) hosted a webinar on “**Accelerating the Philippines' Renewable Energy Transition: Emerging Policy Developments & Lessons Learned from Vietnam**” co-organized with the Philippines National Renewable Energy Board (NREB), the government body tasked with recommending policies, rules, and standards to govern the implementation of the Philippines Renewable Energy (RE) law.

The event brought together leading voices from three key energy policy bodies in the Philippines including **Hon. Agnes Devanadera**, Chairperson of the Energy Regulatory Commission, **Atty. Monalisa Dimalanta**, Chairperson of NREB, and Department of Energy **Undersecretary Felix William Fuentesbella**. The webinar also featured technical experts, including **Mr. Evan Scandling** and **Dr. Hang Dao** from CEIA Vietnam, to share lessons on how Vietnam was able to accelerate its RE transition. **Mr. John Eric Francia**, President of AC Energy, the energy arm of the Philippines' oldest conglomerate, shared insights on developing RE in the Philippines and Vietnam and how the Philippines can become a more competitive market for renewable energy in pursuit of its 35% by 2030 goal.

The event was attended by more than 330 participants, including government officials, local and international energy developers, distribution utilities, and financial institutions. The event was moderated by Mr. Marlon Apañada, Southeast Asia Lead for Energy and Climate at the World Resources Institute.

### Selected Quotes from the Webinar:

*"We have to deliver on our regulatory framework for DER [Distributed Energy Resources], for GEOP [Green Energy Option Program] and for RPS [Renewable Portfolio Standards] and RE Market. This might be the **golden opportunity for RE** because we have to do a review of the most strategic approach in doing our regulatory framework. Timeline: **We are committed to do it in 2020.**"*

- Hon. Agnes Devanadera, Chairperson, Energy Regulatory Commission (ERC)

*"We commend the developers for their actions and giving us, in government, ways to improve. And I hope we continue to have this harmonized approach so that **our commitment to have a clean and more reliable energy system will be realized.**"*

- Undersecretary Felix William "Wimpy" Fuentesbella, Department of Energy (DOE)

*"We are looking at the Philippines requiring more than 45,000 megawatts of capacity by 2040, what portion should be taken by RE, and this to me is the compelling reason we need to be deliberate. **We need to be more decisive** in terms of allocating, or targeting the share of RE. We realize that NREP [the National Renewable Energy Program] is 10 years old and it has not been updated. The costs have changed for some technologies. The projections for demand have changed, so it really requires a lot of updating."*

- Atty. Monalisa Dimalanta, Chairperson, National Renewable Energy Board

*"To attain 35% renewables output, the industry has to **build out 20 gigawatts over 10 years.**"*

-Mr. Eric Francia, President & CEO, AC Energy



### Key Takeaways from the Event:

1. Government agency leaders are aligned in the goal of providing clean, affordable, and reliable electricity for all, and renewables are seen as the answer to this. With recognition that the share of RE in the Philippines energy mix has fallen in recent years, the DOE, NREB, and ERC are committed to redoubling efforts to achieve the Philippines' goal of 35% RE by 2030 through consumer-centric and demand-driven policies and programs. This entails generating an additional 40 terawatt-hours or approximately 20 gigawatts of additional RE capacity by 2030.
2. There is strong demand from many stakeholders, including multinational and domestic corporations, for enabling policies that will allow renewables procurement at scale. This is a function of the cost-competitiveness that renewables have achieved and the need to provide energy solutions that integrate sustainability. Supportive RE policies and effective implementation of such policies are critical for national competitiveness to attract international investment, as seen in the case of Vietnam.
3. RE is no longer an alternative, but a priority. The DOE is shifting its metrics from just megawatts, to metrics that account for megawatts and megawatt-hours in an effort to use demand-driven projections to inform the revised National RE Plan. Additionally, the NREB wants the new National RE Program to be integrated into the Philippines' Power Development Plan with a focus on electricity end-users and their needs.
4. Consumer-focused, demand-driven energy can be unlocked through programs that enable distributed energy and adoption of corporate power purchase agreements. The ERC is committed to establish the regulatory framework for the implementation of Distributed Energy Resources and Green Energy Option Program within the year. In addition, DOE is finalizing its rules on the new Green Energy Auction Program.
5. The ERC recognizes the role of Battery Energy Storage Systems (BESS), and is studying whether they should be categorized as transmission equipment or generating assets. In both these options, BESS would still need to undergo the competitive selection process.
6. The DOE is in the process of rolling out the Energy Virtual One-Stop Shop or EVOSS which sets a specific timeline for all government agencies in the permitting process of all power sector projects including local government units, the National Commission on Indigenous Peoples, and the Department of Agriculture. The EVOSS law seeks to reduce delays and red tape in the energy sector by promoting a faster, practical, and simplified permitting process.
7. To realize the full potential of RE in the Philippines, there is still work to do in upgrading transmission infrastructure and integrating RE expansion and storage into the transmission development plan. **Implementing** the RPS and other **enabling policies with conviction, meaningfulness, and predictability** are necessary elements to achieve the Philippines' RE goals.

A recording of the webinar can be accessed through this [link](#).

Key insights from the event were amplified by major news agencies in the Philippines:

Manila Times - [PH can boost RE share to 35% in 2030](#)

Manila Standard - [Renewable energy share in PH power generation hit a new low of 21% in 2019—NREB](#)

Business Mirror - [NREB: Renewable energy in power mix dwindling](#)