



20 December 2020

ATTY. MELVIN A. MATIBAG

President and CEO

National Transmission Corporation
Power Center, Quezon Ave. cor. BIR Road
Diliman, Quezon City 1100

Dear **Pres. Matibag**:

This is in reference to your letter dated 23 November 2020 requesting clarification on the implementation of the Energy Regulatory Commission's (ERC) Resolution No. 6, Series of 2020, entitled "A Resolution Approving the Adjustment to the Feed-in Tariff (FIT)."

The following are the areas for clarification:

1. Applicability;
2. Timing and Manner of Billing of the FIT Adjustment;
3. Funding for the Adjustment; and
4. 2020 Adjusted FIT Rate for Bangui Wind Power Project (Phases 1 and 2).

Please find below the ERC's position on these matters:

Applicability

The Applicability of the FIT Adjustments is not by calendar year, but by anniversary date of its FIT eligibility, as stated in the Certificate of Compliance for FIT (COC-FIT). Thus, the adjustment of a FIT-eligible Renewable Energy (RE) plant shall first be implemented a year after the RE plant's eligibility, and every anniversary date thereafter. For example, if the RE plant became eligible on 1 November 2016, then the adjustment will be made on 1 November 2017, and every year thereafter. However, for RE plants whose eligibility is before the start of FIT system (January 2015), the first adjustment to its FIT rate will be made in 1 January 2016, and every year thereafter. To illustrate, see Annex A for the adjustment dates.

Timing and Manner of Billing of the FIT Adjustment and Funding for the Adjustment

The Resolution states that its effectivity shall be fifteen (15) days after publication. Further, it is stated that the actual recovery of the arrears shall be for a period of five (5) years. The implementation of this shall be consistent with Section 4.5 of the ERC Resolution No. 18, Series of 2014¹, which states that:

“All Actual RE Generation from the Commercial Operations Date until the Effective Date shall be metered and the Actual FIT Differential for such Actual RE Generation shall be billed to, and collected by the RE developer from, the Administrator only after the occurrence of the Effective Date. The Actual FIT Differential for such period shall be billed to the Administrator over the number of months which lapsed from COD until the Effective Date, i.e., if two (2) months lapsed between COD and the Effective Date, the Actual FIT Differential shall be billed and collected over the first two Billing months during the Term.”

In addition, on the source of funding, for the initial implementation of the adjustment, such shall be sourced from the Working Capital Allowance (WCA). Thereafter, the same may be included in the computation of future FIT-All filing of TransCo.

2020 Adjusted FIT Rate for Bangui Wind Power Project (Phase 1&2)

The ERC takes note of the observation of TransCo and will have its technical staff look into the matter.

We hope this clarifies your concerns. Thank you.

Very truly yours,


AGNES VST DEVANADERA
Chairperson and CEO


MOS-RED: JGC/SOM

¹ A Resolution Approving the Templates for the Renewable Energy Payment Agreement (REPA) and the Renewable Energy Supply Agreement (RESA).

Annex A

No.	RE Developer	RE Plant	Start of FIT Eligibility per COC	First FIT Adjustment
1	San Carlos Solar Energy, Inc. (SACASOL)	San Carlos Solar Energy, Inc. - Phase 1A (SACASOL)	15-May-14	01-Jan-16
2	San Carlos Solar Energy, Inc. (SACASOL)	San Carlos Solar Energy, Inc. - Phase 1B (SACASOL)	16-Aug-14	01-Jan-16
3	Raslag Corporation	Pampanga Solar Power Project (Phase I)	05-Feb-15	05-Feb-16
4	Energy Development Corporation	Burgos Solar Power Project	05-Mar-15	05-Mar-16
5	Phil. Solar Farm-Leyte, Inc.	Ormoc Solar Power Project	04-Apr-15	04-Apr-16
6	Solar Philippines Comercial Rooftop Projects, Inc.	1.5 MW Sm North Solar Rooftop Power Plant	07-Apr-15	07-Apr-16
7	San Carlos Solar Energy, Inc. (SACASOL)	SACASOL Power Project Plant (Phases I-C & I-D)	06-Sep-15	06-Sep-16
8	Nv Vogt Philippines Solar Energy One, Inc.	Centrala Solar Power Plant	25-Oct-16	25-Oct-17
9	Raslag Corporation	Pampanga Solar Power Project (Phase II)	23-Dec-15	23-Dec-16
10	EDC Burgos 2	Burgos Solar Power Project Phase 2	19-Jan-16	19-Jan-17
11	Petosolar Corp.	Tarlac Solar Power Project	10-Feb-16	10-Feb-17
12	YH Green Energy, Inc	Hermosa Solar Power Project	12-Feb-16	12-Feb-17
13	First Cabanatuan Renewable Ventures, Inc.	Cabanatuan Solar Power Project	11-Mar-16	11-Mar-17
14	Solar Philippines Calatagan Corporation	Calatagan Solar Power Project	11-Mar-16	11-Mar-17
15	Mirae Asia Energy Corporation	Currimao Solar Power Project	29-Feb-16	01-Mar-17
16	Absolut Distillers, Inc.	Lian Solar Power Project	08-Mar-16	08-Mar-17
17	Valenzuela Solar Energy, Inc.	Valenzuela Solar Power Project	08-Mar-16	08-Mar-17
18	Monte Solar Energy, Inc.	Bais Solar Power Project	11-Mar-16	11-Mar-17
19	Enfinity Philippines Renewable Resources, Inc.	Clark Solar Power Project	12-Mar-16	12-Mar-17
20	Asian Green Energy Corporation	Kibawe Solar Power Plant	13-Mar-16	13-Mar-17
21	Solar Powered Agri-Rural Communities Corporation (SPARC-Zambales) (EPRRI-Clark)	Palauig Solar Power Project	13-Mar-16	13-Mar-17
22	Bulacan Solar Energy Corporation	Bulacan III Solar Power Project	14-Mar-16	14-Mar-17
23	Helios Solar Energy Corporation	Cadiz Solar Power Project	14-Mar-16	14-Mar-17
24	Northwind Power Development Corporation	Bangui Bay Wind Farm Power Plant Phase III	10-Oct-14	01-Jan-16
25	EDC Burgos Wind Power Corporation	Burgos Wind Power Plant Phase I & II	11-Nov-14	01-Jan-16
26	North Luzon Energy Renewable Energy Corporation	Caparispisan Wind Energy Plant	11-Nov-14	01-Jan-16
27	Trans-Asia Renewable Energy Corporation	San Lorenzo Wind Power Plant	27-Dec-14	01-Jan-16
28	Petro Wind Energy, Inc.	Nabas Wind Energy Plant	10-Jun-15	10-Jun-16
29	Alternergy Wind one Corporation	Pililia Wind Power Plant	09-Jun-15	09-Jun-16
30	Northwind Power Development Corporation	Bangui Wind Power Plant Phase I & II	20-Jul-15	20-Jul-16
31	Hedcor Tudaya, Inc.	Tudaya 2 HEP	15-Jun-15	15-Jun-16
32	Smith Bell	Communal-Uddlawan HEP	15-Jun-15	15-Jun-16
33	Hedcor Sabangan, Inc	Sabangan Hydroelectric Power Project	02-Jun-15	02-Jun-16
34	HedCor (Aboitiz)	Irisan 1 HEP	30-Apr-12	01-Jan-16

No.	RE Developer	RE Plant	Start of FIT Eligibility per COC	First FIT Adjustment
35	Sunwest Ware & Electric Company 2	Villasiga Hydro Power Plant	17-Apr-16	17-Apr-17
36	SN Aboitiz Power Magat, Inc.	Maris Main Canal I Hydroelectric Power Plant	20-Nov-17	20-Nov-18
37	San Jose City I Power Corporation	12 MW e(net) SJCi Power Rice Husk-fired Biomass Power Plant Project (Phase I)	02-Nov-14	01-Jan-16
38	Montalban Methane Power Corporation	43.8 MW Montalban Landfill Methane Recovery and Electricity Generation	15-Jun-15	15-Jun-16
39	Pangea Green Energy Philippines, Inc	1.2 MW Payatas Landfill Methane Recovery and Power Generator Facility (Phase I)	15-Jun-15	15-Jun-16
40	Lucky PPH International, Inc.	LLPHII Rice Husk-Fired Biomass Power Plant Project	15-Jun-15	15-Jun-16
41	First Farmers Holding Corporation	21 MW FFHC Bagasse-fired Cogeneration Power Plant	15-Jun-15	15-Jun-16
42	Bataan 2020, Inc.	12.5 MW Bataan 2020 Rice Hull-fired Cogen Plant	10-Jul-15	10-Jul-16
43	Isabela Biomass Energy Cooperation (IBEC)	20 MW IBEC Biomass Power Plant Project	06-Oct-15	06-Oct-16
44	Universal Robina Cooperation	46 MW Bagasse-fired Cogeneration Power Plant	20-Jan-15	20-Jan-16
45	Green Future Innovations, Inc.	19 KW Bagasse-fired Cogeneration Power Plant	30-Nov-12	01-Jan-16
46	Green Innovations for Tomorrow Corporation	12 MW Rice Husk-fired Biomass Power Plant Project	27-Feb-16	27-Feb-17
47	Bicol Biomass Energy Corporation	5 MW Rice Husk-fired Biomass Power Plant Project	10-Oct-16	10-Oct-17
48	Lamsan Power Corporation	LPC Biomass Power Plant	30-Dec-16	30-Dec-17
49	Aseagas Corporation	AGC Biogas Project	14-Dec-16	14-Dec-17
50	Green Earth Enersource Corporation	3.5 MW GEEC Biomass Power Plant Project	27-May-17	27-May-18
51	Pangea Green Energy Philippines, Inc	1.2 MW Payatas Landfill Methane Recovery and Power Generator Facility (Phase II)	17-Feb-17	17-Feb-18
52	San Jose City I Power Corporation	12 MW e(net) SJCi Power Rice Husk-fired Biomass Power Plant Project (Phase II)	22-Sep-17	22-Sep-18
53	Asian Carbon Neutral Power Corp. (ACNPC)	ACNPC Biogas Power Plant Project	21-Jul-17	21-Jul-18