

[ERC Resolution No. 05, s. 2015, April 06, 2015]

**A RESOLUTION ADOPTING THE AMENDED RULES TO GOVERN
THE INTERRUPTIBLE LOAD PROGRAM (ILP)**

*Adopted: 06 April 2015
Date Filed: 07 May 2015*

WHEREAS, it is a declared policy of the State to ensure the quality, reliability, security and affordability of the supply of electric power;

WHEREAS, to address the imminent power shortage and augment the limited power requirements of the distribution utilities (DUs) in Visayas and Mindanao regions, on March 10, 2010 the Commission adopted Resolution 8, Series of 2010, entitled "*A Resolution Adopting the Rules to Govern the Interruptible Load Program (ILP) of Distribution Utilities (DUs)*" or the ILP Rules;

WHEREAS, on May 6, 2013, the Commission adopted Resolution 8, Series of 2013, entitled "*A Resolution Amending Article IV, Section 1 of the Rules to Govern the Interruptible Load Program (ILP) of Distribution Utilities (DUs)*", in order to provide for a fairer and more reasonable cost recovery mechanism;

WHEREAS, the Commission in its Order dated April 11, 2014, allowed Manila Electric Company (MERALCO) to implement the ILP for its captive customers;

WHEREAS, the ILP incentivizes reduction in demand in any grid, particularly, when system reliability is jeopardized;

WHEREAS, expanding the scope of the ILP, to enable the participation of contestable customers, directly-connected customers, PEZA customers/locators and Economic Utility Enterprises is seen as making the ILP more responsive and effective in avoiding or minimizing system emergencies;

WHEREAS, on November 4, 2014, the Commission issued a Notice of Posting and Public Consultation on the proposed amendments to the "Rules to Govern the Interruptible Load Program (ILP) of Distribution Utilities (DUs)", and setting the deadline to submit comments on or before November 17, 2014;

WHEREAS, on November 26, 2014, the Commission conducted a Public Consultation to discuss the comments submitted by the following stakeholders: a) Department of Energy (DOE); b) National Grid Corporation of the Philippines (NGCP); c) Philippine Electricity Market Corporation (PEMC); d) Retail Electricity Suppliers Association (RESA); e) Distribution Management Committee (DMC); f) Grid Management Committee (GMC); g) Philippine Independent Power Producers Association (PIPPA); h) MERALCO; i) Visayan Electric Company, Inc. (VECO); and j) San Fernando Electric Light and Power Company, Inc. (SFELAPCO);