
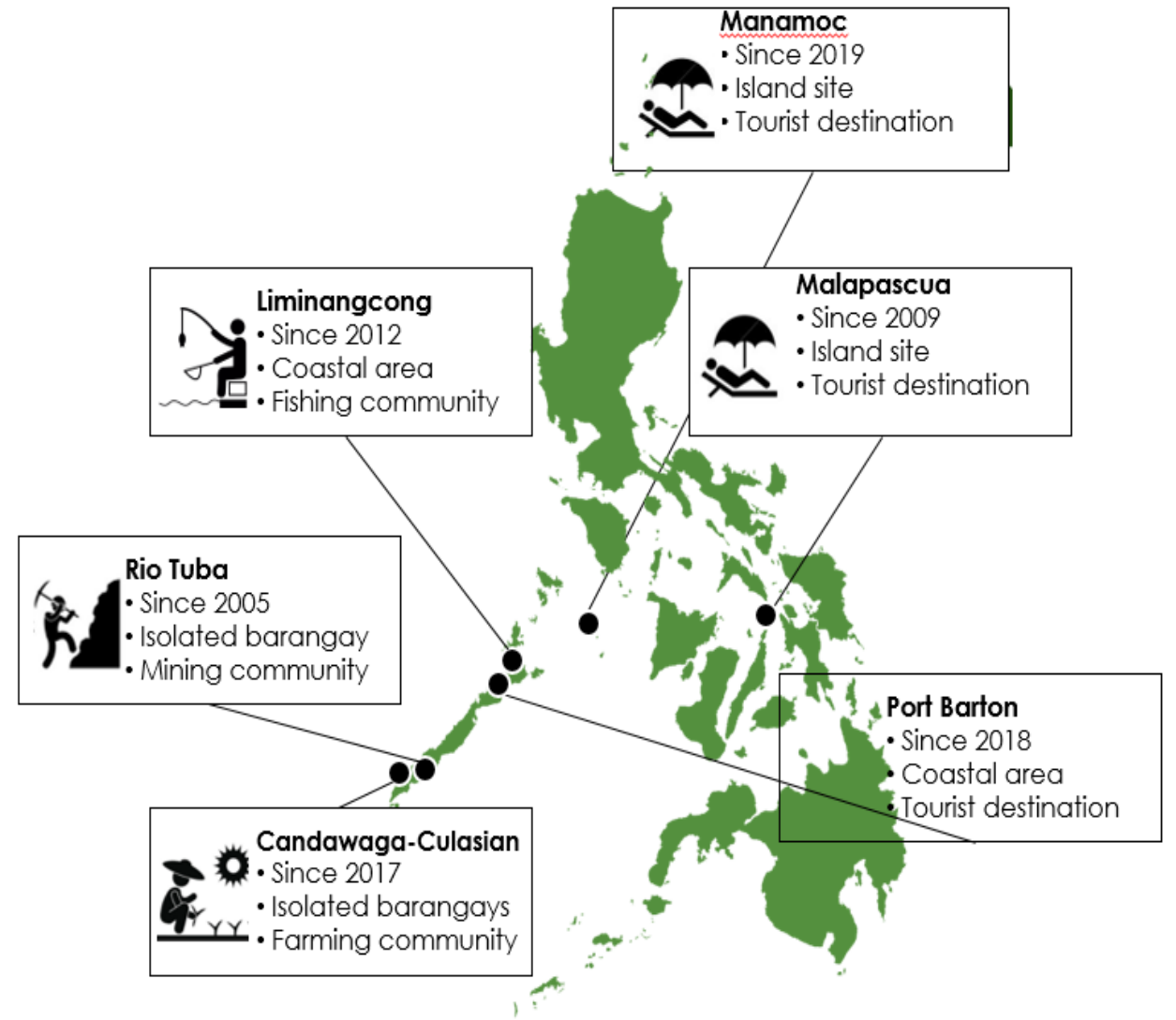


Experience of the pioneer
Qualified Third Party (QTP)
and
Microgrid Service Provider
in the Philippines

Powersource Philippines Inc.



-  The first **Qualified Third Party (QTP)** under the Philippines Electric Power Industry Reform Act (EPIRA)
-  The first QTP recipient of the **Universal Charge for Missionary Electrification (UCME) subsidy** from the NPC
-  Provides **technology-neutral energy solutions** to geographically isolated and off-grid communities
-  With **six community micro-grids operating successfully** and over a dozen sites under active negotiation



Off-grid Power Market Opportunity



Region	Total Households	Served Households	Unserved Households	Electrification Level (%)
Luzon	13,803,814	13,088,991	714,823	94.8
Visayas	4,076,309	3,767,391	308,918	92.4
Mindanao	4,841,306	3,503,952	1,337,354	72.4
Total	22,721,430	20,360,334	2,361,096	89.6

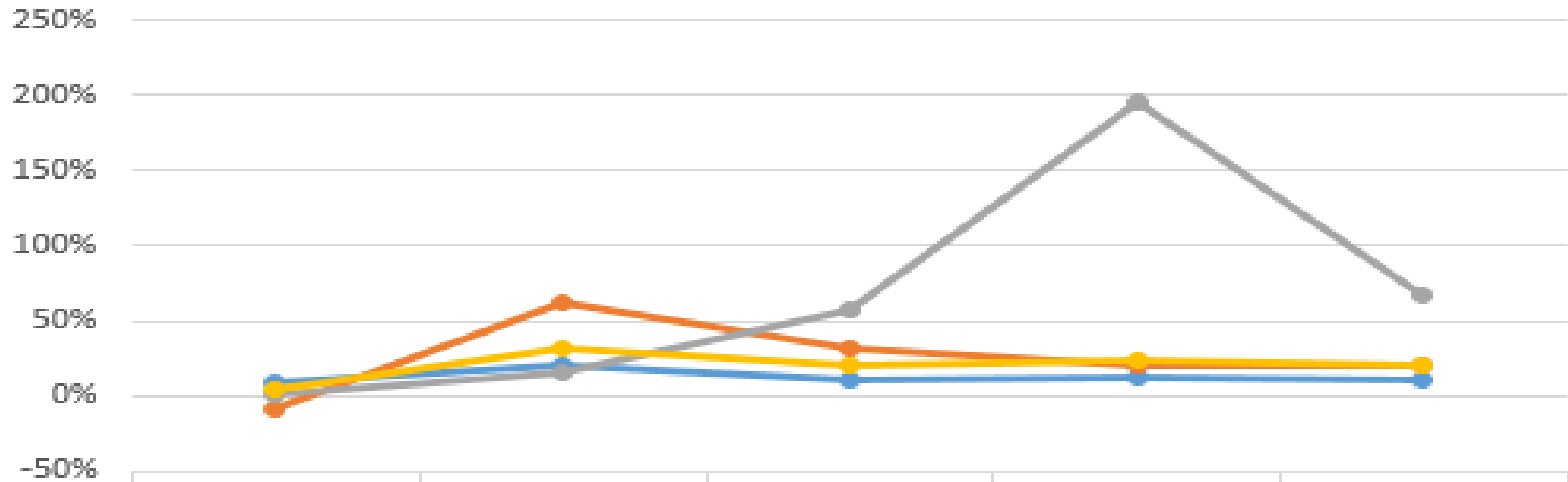
Household Electrification Level by Region (as of July 2016), Source: DOE Philippine Energy Plan 2016-2030

Estimated **2.36 million households with no access to electricity**, primarily located, in off-grid residential locations, island and remote communities

Off-grid Power Market Opportunity



Actual annual growth in kwh sales



	2014	2015	2016	2017	2018
Site 1	9%	20%	11%	13%	11%
Site 2	-8%	63%	32%	21%	20%
Site 3	1%	15%	57%	196%	68%
Combined	4%	31%	20%	24%	20%

What are the top five (5) challenges in developing, operating and managing a QTP site?



1

Obtaining community support



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2

Securing government approval

	Agency	No. of Permits/Clearance Required
1	Local Government - Municipality/ City	23
2	Department of Environment and Natural Resources	22
3	Department of Energy	12
4	Energy Regulatory Commission	8
5	Bureau of Internal Revenue	6
6	Department of Labor and Employment	5
7	Register of Deeds	4
8	Department of Public Works and Highways	3
9	National Commission on Indigenous Peoples	3
10	National Water Resources Board	3
11	Securities and Exchange Commission	3
12	From 17 other agencies / entities	25
	TOTAL	117

Number of calendar days processed from date of QTP Subsidy & Service Contract Application

		NPC Negotiaton & DOE Evaluation	Energy Regulatory Commission (Provisional Authority)	Energy Regulatory Commission (Final Authority)	Total
1	Malapascua	61	160	722	943
2	Liminangcong	487	83		570
3	Rizal	426	862		1,288
4	Balut Island	484	846		1,330
5	Port Barton	335			335
6	Poblacion	545			545
7	Manamoc	545			545

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3

Establishing reliable suppliers

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4

Retaining site personnel



5

Maximizing funds and resources

How can we address
the challenges?

Be Patient. Persevere.

Communicate. Collaborate.

Learn from mistakes.

Honor your commitments.

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