

Advocacy group tells Meralco to 'go green'

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MANILA ELECTRIC CO. (Meralco) should turn to renewable energy supply for its upcoming round of procurement, according to clean energy advocates.

The listed electricity distributor asked the Department of Energy (DoE) last month to let it push back to October its competitive selection process for the purchase of 1,800 megawatts (MW) of greenfield capacity, or energy from upcoming power generators, given volatile fuel prices amid a global coronavirus pandemic.

The Power for People Coalition, a group of renewable power advocates, said Meralco should “go green” and shun energy from fossil fuel.

“If it would convert a substantial portion, or the entirety of its 1,800-MW contract to renewable energy instead of coal, it will become immune to fluctuations of prices in the international market and can pass on the savings to consumers, solving their problems,” group convenor Gerardo C. Arances said in a statement.

Consumers are also concerned about price changes that affect their budgets, he added.

The group stressed the importance of renewable energy as the country recovers from the worst economic recession in decades.

Meralco wanted to change its basis forecast year in its supply contract to 2022 from 2020, assuming that fuel prices would normalize by that time, so rates would be competitive for its customers.

The coronavirus pandemic brought down the demand for petroleum products globally, pushing prices down while a supply glut also troubled producers. Oil prices averaged \$45 a barrel in recent weeks.

The DoE wanted the distribution utility to start its power procurement to ensure the availability of supply for its seven million customers. Power supply is expected to tighten in the coming years as the country bounces back from the impact of the pandemic.

Earlier, SMC Global Power Holdings Corp. said it planned to join the utility's competitive selection process, bidding its four power plants in the pipeline with a combined capacity of more than 2,000 MW.

This will be Meralco's third attempt to hold a bidding for supply from new power plants after failing to attract power producers.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT, Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Adam J. Ang**

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