



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

TO : All Existing Directly Connected Customers (DCC)
National Transmission Corporation (TransCo)
National Grid Corporation of The Philippines (NGCP)
Independent Electricity Market Operator of the Philippines (IEMOP)
All Concerned Distribution Utilities

FROM : Secretary of Energy

DATE : MAY 25 2022

SUBJECT : Advisory on the Application for Direct Connection

This advisory is being issued to give clarification on the implementation of the Department of Energy (DOE) Department Circular No. DC2020-01-0001 entitled "Prescribing the Rules Governing the Review and Evaluation of Direct Connection Applications of Industrial, Commercial and Other Electricity End-users" (DC2020-01-0001) specifically:

"Section 6. Renewal of Direct Connection. All existing DCC connected to the Grid or to the subtransmission assets owned by the TransCo may apply for the renewal of its direct connection status and shall submit all the requirements indicated in Section 4 of these Rules. Provided that, the application shall be submitted at least three (3) months before the expiration of its Power Supply Agreement and/or Transmission Supply Agreement."

Relative thereto, please be guided by the following:

1. Different scenarios:

Scenarios	Process
1.1 Simultaneous expiration of Power Supply Agreement (PSA) and Transmission Supply Agreement (TSA)	1.1 the DCC shall apply for the renewal of their direct connection status with the DOE at least three (3) months before the expiration date of the PSA and TSA
1.2 impending expiration of PSA but Transmission Supply Agreement TSA is still in effect	1.2 the DCC shall apply for the renewal of its direct connection status with the DOE at least three (3) months before the expiration date of the PSA

<p>1.3 impending expiration of TSA but PSA is still in effect for a period of fifteen (15) months or more from the expiration of the TSA</p>	<p>1.3 No need to apply for renewal of DCC status but the DCC shall renew its TSA with the NGCP with terms coinciding with the expiration date of the PSA.</p> <p>For monitoring purposes, the NGCP shall inform the DOE of said renewal.</p>
<p>1.4 impending expiration of TSA but PSA is still in effect for a period of fourteen (14) months or less</p>	<p>1.4 the DCC shall apply for the renewal of its direct connection status with the DOE at least three (3) months before the expiration of the TSA</p>

2. In case the DCC has not beforehand acquired an approval from the DOE for the direct connection, the DCC shall secure first the DOE's approval of its direct connection; and
3. All applicants for direct connection, whether new or renewal, are advised to align the expiration dates of their PSA and TSA, otherwise, the different scenarios as stated above shall be the guiding rules.

Please be guided accordingly.

Thank you


ALFONSO G. CUSI
 Secretary

