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PCC, ERC ink partnership for power sector investigations

The Philippine Competition Commission (PCC) signed a Memorandum of Agreement (MOA) with the Energy Regulatory Commission (ERC) on Monday, completing the three-way partnership with the Department of Energy (DOE) in promoting competition and coordinating investigations in the energy sector.

“Our MOA with ERC exhibits how the competition agency and sector regulators play complementary roles in promoting competition in the sector while fulfilling their respective mandates. Our partnership allows for the sharing of information and coordination of enforcement actions toward a more robust competition landscape in the energy sector,” said PCC Chair Arsenio M. Balisacan.

The MOA with ERC comes a month following PCC’s MOA with DOE, which also established collaborative mechanisms such as information sharing, investigation support, joint task forces, and continued capacity building and consultations.

PCC’s partnership with ERC allows for the conduct of joint fact-finding inquiries pertaining to competition matters in the electric power industry. It also facilitates consultations with institutions or firms such as the Philippine Electricity Market Corporation (PEMC), the National Grid Corporation of the Philippines (NGCP), and generation companies to obtain relevant information.

A tripartite task force between PCC, DOE and ERC was formed ahead of the MOA to coordinate probes on alleged collusions or abuses of dominance in the power industry through information exchange and fact-finding, given the policy mandate of



the DOE, the regulatory functions of the ERC, and the market competition lens of the PCC.

With the ERC onboard with PCC and DOE, the agencies expect to make headway in probing allegations of collusion or abuse of dominance amid a series of shutdowns among power plants that may have contributed to increase in electricity prices earlier this year.

The PCC earlier announced a launch of an assessment whether the power plants' outages were manipulated to increase electricity prices or were valid unplanned breakdowns that affect supply conditions.

"The PCC and ERC recognize the merit of adopting a coordinated approach toward the shared goal of promoting competition in the power industry. We are confident our combined expertise and investigative capacities will lead to a stronger push for competition enforcement in this critical sector," Balisacan said.

The partnership marks PCC's 14th MOA signed to date, as the agency strengthens its collaboration with government agencies in fostering a culture of competition.

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