

PHILRECA activates AS-RM study with ECAOs and energy agencies; pushes for lower charges for consumers

August 15, 2025

Quezon City — The Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA), in partnership with the Philippine Electric Cooperatives Association of Corporate Planners (PECACORP) and the Philippine Association of Technical Managers of Electric Cooperatives (PHILATMEC), formally activated its Ancillary Services–Reserve Market (AS-RM) comprehensive study through a coordination meeting held on 14 August 2025 in Quezon City.

Authorized under PHILRECA-NAGMEC Joint Resolution No. 04-01-25, the initiative aims to identify operational and pricing challenges, consolidate evidence-based inputs to guide regulatory reforms, and align stakeholders toward fair, transparent, and efficient AS-RM operations, ultimately easing the financial burden on consumers.

Gathering representatives from the National Grid Corporation of the Philippines (NGCP), Independent Electricity Market Operator of the Philippines (IEMOP), Energy Regulatory Commission (ERC), and Department of Energy (DOE), as well as electric cooperatives (ECs), the meeting also served as an avenue to raise strong concerns over persistent market and operational issues that directly affect their operations and the consumers they serve.

Mainly, ECs underscored that the widening gap between higher reserve market (RM) prices and lower Ancillary Services Procurement Agreement (ASPA) rates significantly increases pass-through costs, translating into higher electricity bills for consumers.

In response, PHILRECA pushed for a “causer’s pay” mechanism to hold cost-triggering generators accountable, reiterated the urgent need for timely and accessible market data, and pressed for direct EC participation in DOE’s ongoing review on AS Rules. PHILRECA also stressed that urgent, practical measures must still be taken to protect consumers from excessive costs.

PHILRECA Executive Director and General Manager Atty. Janeene Depay-Colingan emphasized, “As electric cooperatives at the end of the distribution chain, we feel the immediate impact of market inefficiencies, data gaps, and inconsistent pricing. We are working to harmonize the rules, close these gaps, and push for fairer, more transparent mechanisms so that consumers are not overburdened.”

PHILRECA, together with PHILATMEC and PECACORP, will consolidate all inputs from the meeting, finalize the comprehensive study, and submit its recommendations to NGCP, IEMOP, ERC, DOE, and the Power Bloc representatives in Congress to ensure an inclusive and nationalistic policy approach.