

Gearing Towards 50% RE Mix by 2030

MINDANAO CLEAN ENERGY FORUM X REC RENEWABLE ENERGY CONGRESS

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Context

Energy access and energy autonomy from imported fuel have consistently been high in the national agenda, especially in the past three years as the country grapples with high fuel prices, power outages, expensive electricity (among the highest in the world), and low electrification particularly in Mindanao and off-grid areas.

The El Niño currently being experienced — which is expected to last for two years, as well as the more frequent and stronger typhoons due to climate change are affecting power generation, transmission and distribution, thus contributing to energy insecurity.

Aligned with the national government's climate commitment to lower carbon emissions, the National Renewable Energy Program (NREP) adopted in 2021 and the clean energy scenario of the Department of Energy (DOE) have set a target of a 35% share of renewable energy (RE) in the power generation mix by 2030 and 50% by 2040. Latest DOE data show that while RE accounts for 24% of the power generation mix, coal remains the primary energy source at 60% .

The outages are issues of power supply shortage as much as transmission grid capacity and quality, such as in Mindanao. Grid congestion and resiliency are major concerns in the supply reliability, owing to delays in grid modernization and natural or human-caused disasters.

Making the power system less dependent on the national grid by having more decentralized structures through distributed renewable energy systems, for instance, are thus seriously pursued especially in geographically isolated and disadvantaged areas.

There have been less frequent power interruptions in recent years – from 11 hours in 2015 to 5.7 to 8.8 hours in 2021, -- in many remote, isolated, and economically-disadvantaged areas including those belonging to the indigenous peoples communities and a large section in Mindanao especially the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

However, the fear is not much about losing electricity, but not having it until now.

At least 971,022 houses nationwide are still without electricity as of June 2022, indicating that the country's 95.8% electrification rate is one of the lowest in Southeast Asia. Mindanao's electrification rate is 87.1% with BARMM's electrification level only at 44.3%, considered as the lowest among the regions in the country, compared to Visayas at 97.2% and Luzon at 98.8%.

Absence of or suppressed use of electricity has deprived many Filipinos of opportunities, security, peace, and, worse, a life of dignity – contributing to social exclusion and further inequalities in the country. This is especially pronounced for marginalized groups including women, indigenous peoples and other vulnerable sectors.

Evidently, renewable energy plays a critical role in these matters, in both emergency and disaster response and in addressing peace and security issues.

With appropriate technology, informed and cohesive policies, and sufficient financing, the vast RE potentials in the country can be harnessed, put to productive uses especially in achieving food security, and ultimately lead to meaningful and sustainable transformation of people's lives and the society.

Wind, hydro, and ocean or tidal energy resources are abundant in the Philippines, especially in Mindanao where many resources still remain almost intact.

However, the development and utilization of these RE resources have remained slow since the implementation of the Renewable Energy Act in 2008. There are also other important factors like capacity-building, public awareness, and people's participation and ownership that are often overlooked or given less attention.

To encourage broader participation in RE development and in order to increase RE share in power generation mix, the annual percentage of Renewable Portfolio Standards for on-grid areas was increased from 1 percent to 2.52 percent beginning 2023 and preferential dispatch of all RE-generating units in the Wholesale Electricity Spot Market (WESM) has been ensured. The commercial operation of WESM in Mindanao also started in January this year.

The Green Energy Option Program (GEOP) has also been implemented, allowing electricity end-users to choose purely from RE resources for their electricity requirements.

As non-RE solutions are explored and set into motion in response to the country's energy predicaments, there are concerns that this may affect meeting sustainable energy goals, the target RE share in particular.

In Mindanao, where energy and economic poverty persist, renewable energy is given high priority in the development planning.

The Mindanao Development Authority is aiming for 50% share of RE in the power generation mix by 2030. There are various efforts to stimulate the adoption of distributed renewable energy systems not only to meet household electricity needs, but also for agriculture, fisheries, transportation, and other livelihood purposes, as well as in building the capacity of electric cooperatives, local government units, local industries or MSMEs. The search for other clean energy sources such as hydrogen fuel is undertaken.

Transitioning from non-renewable energy to RE reduces the vulnerability of consumers to fuel and electricity price increases, as well as economic and climate shocks.

The climate emergency and wide deprivation observed in the country are alarm bells for everyone to act with urgency and focus on the path to be taken: the RE track. As stakes are high, so must be our targets.

The diversity in the Philippines especially in Mindanao, shall serve as a constant reminder that transition has to be inclusive and just; that no one, especially those directly affected, are left behind. Workers, communities, women, indigenous peoples, among others, are part of policies and actions on achieving sustainable energy and development.

The RE Congress & Exhibit x Mindanao Clean Energy Forum

This 2023, the 6th Renewable Energy Congress (RE Congress) and Exhibit, and the launch of Mindanao Clean Energy Forum will be conducted together, an event marking the collaboration of initiatives and partnerships among stakeholders in action.

This fitting event aims to bring about quick deployment of renewable energy especially for productive or economic use.

It also aims to emphasize that discussions and actions regarding current and future sustainable energy policy and development should be conducted through intersectoral, interdisciplinary, and intersectional approaches. This is to primarily address the gaps which result from a narrow view of the predicament.

Intersectoral work will holistically involve the needs of several sectors (agriculture, service, industrial, households, etc.) in devising an energy roadmap strategy. The second aspect, *interdisciplinary*, employs a multi-disciplinary approach in the adoption of future plans/policies for the energy industry. It may be in terms of required financial expenditures, human resource requirements, political repercussions, social

impacts, and other necessary concerns. Lastly, using the *intersectional* lens will underscore the need to incorporate a gendered and socio-economic analysis in drafting policies and instituting programs.

The event will also highlight ways to accelerate or aggressively pursue RE deployment to realize the country's climate commitments, just transition, food sovereignty, economic recovery, peace, security, and sustainable energy and development goals. Financing the RE value chain, making cohesive policies, and other challenges including infrastructure and human resources' technical capacity will thus be tackled.

Objectives:

This 2-day event has the following general objectives:

- Examine the energy predicaments including the low electrification situation in the country, particularly the obstacles in electricity access in Mindanao.
- Tackle the roadblocks to the acceleration of RE deployment and utilization like policies, financing, technology barriers, and stakeholder roles and capacity
- Delve into the plans and roadmaps towards recalibrating RE targets for 2030 and 2040, and come up with actionable solutions to achieve higher RE share in the power generation mix.
- Facilitate partnerships among and between stakeholders including the academe, civil society/ people's organizations, LGUs, RE developers, investors, and the government in RE development.
- Highlight and integrate in energy and development planning the just and inclusive energy transition actions for women, workers, and affected communities and vulnerable groups.

Target Participants

At least 350 participants are envisioned to attend the Mindanao Clean Energy Forum x RE Congress & Exhibit. They are from academe, CSOs, electric cooperatives, national and local government bodies, RE developers/ energy companies, media, youth, workers, and business groups.

About the RE Congress

The Renewable Energy Congress & Exhibit (RE Congress), now on its 6th year, is a flagship project of the Center for Empowerment, Innovation and Training on Renewable Energy (CentRE) and Friedrich-Ebert-Stiftung Philippines (FES) -Philippines. It started in 2018, offering an alternative platform for dialogue, sharing, and forging collaboration towards igniting interest and deepening commitment in accelerating renewable energy deployment towards a vision of 100%-RE powered Philippines.

The RE Congress has since expanded to be one of the most diverse multi-stakeholder conferences on renewable energy — tackling policy and technology trends, highlighting good practices, and identifying challenges and improvements. It has been attended by energy enterprises, electric cooperatives, and representatives of national and local government agencies, academe, civil society organizations, and sectoral formations. The annual gatherings have contributed not only in heightened awareness of renewable energy, but also in keeping track of our actions as well as fostering movements towards just and inclusive energy transition. *(for more information, visit <https://thecentre.ph>)*

About the Mindanao Clean Energy Forum

Having access to sufficient, reliable, and affordable electricity is deemed instrumental in realizing justice, economic progress, social inclusion and development, and sustainable environment.

This 2023 marks the first of annual gatherings of various stakeholders in Mindanao under the Mindanao Clean Energy Forum – a diverse and inclusive space for knowledge exchange, pro-active planning, and partnerships for clean and renewable energy to achieve sustainable development on the island.

The Mindanao Clean Energy Forum, a result of collaboration between the Mindanao Development Authority, Peace and Equity Foundation, and ADDU-CREATE-MREC under MINREACH, shall highlight the transformative potential of renewable energy and ways of utilizing equitably and sustainably the RE resources that are

abundant in Mindanao. It is envisioned to contribute in broader initiatives addressing long-standing energy, social and economic challenges in the island.

Mindanao, with diverse peoples, cultures, and pristine natural resources, is a true melting pot of opportunities in the Philippines. It beckons locals and transients with promises of endless possibilities.

But beneath this rich façade is a sorry narrative of neglect and deprivation owing to the lack of technological, technical, and financial resources. As a result, hindered sustenance and growth of communities and have perpetuated their enduring struggles. Addressing these predicaments is a must to ensure Mindanao's sustainable and inclusive development .

More prominent among the critical challenges in Mindanao is the pervasive darkness enveloping vast stretches of the island due to lack of energy infrastructure and supply. Recent inroads such as WESM, growing investors and other stakeholders commitments to RE, and plans for the Mindanao-Visayas interconnection project, show optimism for Mindanao's energy security.