



NATIONAL GRID CORPORATION OF THE PHILIPPINES

News Release

27 October 2011

Contact Persons: *Atty. Cynthia Perez-Alabanza* cpalabanza@ngcp.ph 09175707884
CorpComm & Public Affairs corpcomm@ngcp.ph 09175874109
jmdejesus@ngcp.ph 09088654651

NGCP clarifies “red alert” status in Mindanao, explains load curtailment

The National Grid Corporation of the Philippines (NGCP) explains that the recent series of “red alerts” in the Mindanao grid is due to a generation deficiency caused by the scheduled maintenance of some power plants, and the unexpected shutdown or reduced capability of others.

NGCP, as System Operator, issues Grid Operation Notices to grid users. “Red alert” refers to the system condition when the contingency reserve is zero or a generation deficiency exists, while a “Yellow alert” is a system condition where total of all reserves is less than 13.2% of the required capacity. When system reserves are more than sufficient to meet the reserve requirements of the grid, the system is considered to be under normal condition. The system alert, and the corresponding power curtailment, if any, is lifted once demand recedes or once there is enough available capacity coming into the grid from the power plants.

During periods of generation deficiency, NGCP implements the Mindanao grid-wide power load curtailment to maintain the power grid’s security and reliability. “It is NGCP’s obligation under the law and its franchise to ensure that the grid operates at an optimum level with due consideration for safety, security and reliability,” stated Cynthia P. Alabanza, NGCP Spokesperson and Adviser for External Affairs. “The level of curtailment is based on the Mindanao generation deficiency matrix issued to us by PSALM/NPC. NGCP does not, by itself, determine which franchise area or distribution utility gets what portion of the available supply. We only follow a matrix supplied to us by PSALM/ NPC.”

“Beginning October 19, NGCP implemented load curtailment based on PSALM/ NPC’s matrix when available reserve energy levels dropped to negative 12MW, and persisted until October 24 when reserves were at negative 45MW,” Alabanza said. “Grid conditions improved to a yellow alert status on October 25, the day one of the plants on scheduled maintenance went back online. Still, the reduced capability of other plants led to a situation where the available reserves were insufficient to meet the grid’s required contingency.”

NGCP maintains that this situation is isolated, and it is expected that the supply situation will normalize once the plants on scheduled or emergency shutdowns are back and synchronized to the grid. ###

National Grid Corporation of the Philippines (NGCP)

Quezon Ave. cor. BIR Rd., Diliman, Quezon City, Philippines

Telephone +632 981-2143 / +632 981-2142 . Fax +632 922-2684 . E-mail corpcomm@ngcp.ph

Website: www.ngcp.ph Twitter: @NGCP_ALERT Facebook: www.facebook.com/1NGCP