

## News Release

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## NGCP: Heightened monitoring needed amid spike in demand, unplanned plant outages

NGCP appeals to energy stakeholders to strictly monitor and ensure the availability of power in the coming months, following a surge in demand due to exceptionally high heat indices in recent days and unplanned outages of critical power plants.

As of 10 March 2025, the highest peak demand for the year was recorded on 06 March 2025 at 12,467 MW, a 5% increase from the DOE-approved GOP forecast demand of 11,870 MW for that day. For 2025, the DOE forecasted a peak of 14,769 MW for Luzon to occur mid-May, a 5.37% increase from the 2024 actual peak of 14,016 MW on 24 April 2024.

On 05 March 2025, hot weather conditions caused a spike in demand, but the unavailability of GNPD1 (668 megawatts capacity) among 11 other plants totaling 1,639.3 MW and the deration, or the operation at less than the declared capacity, of 16 other critical powerplants, led to the raising of the yellow alert from 5:00 PM to 7:00 PM on the same day. Capacity made unavailable because of unplanned outages and deration totaled 3,362.3MW. With NGCP's implementation of rapid assessment on grid stability, optimization of remaining available power, and continuous real-time monitoring and coordination with affected plants, the power situation did not escalate into a red alert. The yellow alert was lifted by 7:49PM on the same day.

A yellow alert is issued when the operating margin is insufficient to meet generation's contingency requirement, putting the grid at risk with the available contingency reserve less than the required operating margin. A red alert status is issued when power supply is insufficient to meet consumer demand and the grid's contingency requirement.

"As in the past years, NGCP cautions the public that while power supply seems sufficient on paper, over the years, unplanned outages of critical plants are a major factor in the power situation and have been the primary cause of power interruptions. While NGCP has complied with the DOE directive on the procurement of ancillary services (AS) through competitive selection process (CSP) and payment of AS procured through the AS Reserve Market (AS RM), the unplanned outages cause all power dispatched through the transmission system to be used for energy consumption. The contingency and dispatchable ancillary services will have been depleted and already running and dispatched as "energy" for use by the consumers, and no longer reserved for ancillary services, since the contingency for which they were procured has already occurred. A shortfall in supply, should that occur, means that while all available generators are running, including those contracted by NGCP for ancillary services, the existing supply is still insufficient to meet demand," NGCP stated.

The procurement and scheduling of ancillary services through the AS RM is the responsibility of the Independent Electricity Market Operator of the Philippines (IEMOP).

NGCP reiterates the need for additional, non-intermittent baseload power sources to ensure the stability of power supply. As the transmission service provider and grid operator, NGCP can only provide an overview of the current supply and demand situation and dispatch any and all available power. The Electric Power Industry Reform Act (Republic Act 9511) prohibits NGCP from owning or operating power generating facilities.

To alleviate possible power shortages, NGCP advises the public to exercise prudence in its consumption of power. ###