

第2章 協議概要

2.1 団長所感

(1) 全体について（本格調査の早期着手が望まれること）

電気事業再編法（EPIRA）が昨年6月に発布されてから、その施行にあたり実施細則（IRR）の国会承認を当初12月26日に予定していたが、全体的に3ヶ月後れる見込みになる。

JICA チームは、DOE ならびに PDP（電力開発計画）と関係している他機関の計画担当者からヒアリングする目的で、DOE ならびに JICA フィリピン事務所の応援を得て29日にワークショップを主催した。成果としては、DOE の電力開発計画作成にかかる JICA 支援についての理解向上の機会を提供できたこと。さらに、DOE が同計画を作成する前にあらかじめ他機関が用意するはずの TDP（送電拡張計画）、MEP（系統外村落電化計画）、MECDDP（NEA による地方電化計画）との間で調整が全く行なわれていないことからくる計画作成の大きな遅れが生じている現状が理解できた。本年度の電源開発計画についての DOE から政府への提出期限を勘案すると、一刻も早い JICA 調査の実施が望ましいといえる。仮に JICA 支援の範囲を電力開発計画作成に関わるものに限定した内容であったとしても、JICA 本格調査が DOE に対して多くの貢献を期待できるものであると確信している。電力開発計画の遅延は、潜在的な投資家への情報発信の遅れにもつながりかねず、かかる事態をさけるべく考慮したい。

また、早期着工を担保する観点から DOE 要請が早期に NEDA により承認され正式提出されることが望まれる。

(2) I/A 案について

I/A 案は、電力開発計画作成ならびに付随する投資促進関連の支援に関わる部分について先方との協議の結果、I/A 素案をまとめ、署名済ミニッツと共に DOE 側にも手交した。同ドラフトの内容に関しては日本側関係機関とも十分な検討すりあわせを行った上で各項目のリソース投入規模を含め最終案としてまとめていく必要がある。なお I/A 素案においても「投資促進室立ち上げ」と「地方電化」に関わる支援のあり方について明記するには至らなかった。次回までにはいくつか課題が残されていると考えるので、これらの主要なものについて以下に述べる（I/A 案に関する協議の結果、確認できた事項ならびに今後の課題と位置付けられるものについて M/M に記した）。

(3) 「投資促進室立ち上げ」支援についての課題

今回調査の後半段階において、DOE エネルギー投資促進室は近々立ち上げられる可能性の高いことが判明した。その責任者である Ms. Lea E. Ricolcol, Chief of Staff と 1 月 31 日に面談したが同氏によれば実施計画を現在仕上げ中であり、2 月 5 日のペレス長官の帰国後に承認があれば可能とのことであった。

今回ミッションの事前の理解では、本格調査において外国投資および行政法／民法の各団員を派遣する等により DOE 投資促進室の立ち上げをリードすることを前提としていたが、そのためには上記実施計画書入手するなど DOE 側の設置のねらいを把握することが求められる。次回調査までに DOE 側から計画書入手することが必要と考える。

(4) 「地方電化」支援の課題について

地方電化については、「調査の目的」で電力開発計画の下位計画の送電拡張計画 (TRANSCO が作成) と系統外村落電化計画 (NPC-SPUG が作成) や地方電化計画 (NEA が作成) について引用することにとどまり、地方電化についての JICA の具体的な取り組みについての記述を避けざるを得なかった。

DOE 要請によれば、地方電化に関しては地方電化計画 (MEDP) 作成に限定した支援が求められている。しかしながら DOE 側からの関係資料の入手が依然として不十分である。昨年 9 月のミッションおよび今回ミッションにおいて、地方電化の NPC-SPUG と NEA から DOE へ提出される報告書現物ならびに世銀や ADB など他ドナーが進める地方電化の調査報告書については DOE に対して強く公開を求めてきたが、DOE 側から資料が提出されず、団としてフィリピン国の地方電化の現況把握についての理解が困難な面があったと思われる。

参考までに、DOE における地方電化は、地方電化計画 (MEDP) 作成と同時に、新・再生可能エネルギーによる民間投資促進のための法整備を進めている点に留意することが必要と考える。再生可能エネルギーを中心とした個々の電力法 (Bill) の状況は以下に示す通りである。

電力法の例

Bill 名	STATUS
Ocean, Solar and Wind Resources Bill	制定済
Mini Hydroelectric Power Incentives Act	制定済
New and Renewable Energy Bill	議会提出予定
Hydro Power Bill	作成中
Geo Thermal Bill	作成中

地方電化についての支援を考える場合、投資促進の法整備支援についても視野に入れた幅広い検討が望まれると考えるが、その扱いについて日本側においても検討の場を持つ必要があると考える。

以上

2. 2 協議結果

協議の冒頭、丹羽団長から要請書の正式提出およびエネルギー投資促進室設置にかかる具体的計画に関し早急に対応するよう依頼し、先方もこれを了承した。

DOE 側からは兼ねてから調査団より要請していたPDP（電力開発計画）とMEDP（国家レベルの地方電化計画）との関係について説明があった（面談記録参照）。調査団からは、地方電化計画に関しては、基本情報の整備については本格調査でカバーすることができるが、個々の案件の扱いおよび様々な関連課題への対応の検討は本格調査の対象外となる旨を説明し、DOE 側の基本的合意を得た。

この他、DOE 側はチームの構成に関する項目を SCOPE OF THE STUDY に挿入し、NEDA がローカルコンサルタントの活用を推奨していることを意識して、チームの構成員としてローカルコンサルタントを入れることを主張したが、チームの構成に関しては別途派遣される予備調査団との協議で Technical Undertakings に入れるべき旨を説明し、理解を得た。

2. 3 署名したM/M

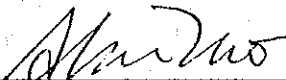
MINUTES OF MEETINGS
BETWEEN THE JAPANESE PROJECT FORMULATION STUDY TEAM
FOR THE DEVELOPMENT STUDY
ON THE INSTITUTIONAL CAPABILITY BUILDING FOR THE DOE UNDER A
RESTRUCTURED PHILIPPINE ELECTRIC POWER INDUSTRY
AND THE AUTHORITIES CONCERNED
OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

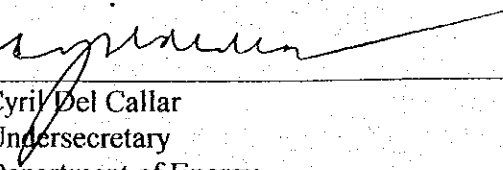
The Japanese Project Formulation Study Team (hereinafter referred to as "the Team"), organized by the Japan International Cooperation Agency (hereinafter referred to as "JICA") and headed by Dr. Akira Niwa visited the Republic of the Philippines from January 24 to February 3, 2001.

During its stay, the Team exchanged views and had a series of discussions with the Department of Energy (hereinafter referred to as "the DOE") and related Philippine authorities, concerning the concrete implementation plan of the Development Study for the institutional capacity building for the DOE (hereinafter referred to as "the Study"), the contents of which is summarized in the tentative draft of the Implementation Agreement attached together with this Minutes of Meetings.

Both sides confirmed the result of discussions as described in the document attached hereto.

Manila, February 4, 2002


Akira NIWA
Leader
Project Formulation Study Team
Japan International Cooperation Agency
Japan


Cyril Del Callar
Undersecretary
Department of Energy
The Republic of the Philippines

ATTACHMENT

I. SUMMARY OF DISCUSSIONS

1. Commencement of the Study

The DOE requested the Japanese side to start the Study as early as possible, suggesting that the commencement be in June or July 2002.

The Team, while agreeing on the importance of the earliest possible commencement of the Study, requested the DOE to consult with the NEDA and other related authorities so that the request will be endorsed as soon as possible.

2. Office facilities

The Team requested the DOE to prepare suitable office space with basic items of furniture. The DOE promised to prepare one before the commencement of the Study, and requested the Team to provide necessary office equipment for the office. The Team promised to convey the request to the GOJ for further consideration on the matter.

3. Counterpart Training

The DOE asked the Team to have its staff send for counterpart training in Japan. The Team suggested that it be possible to ensure budget for one or two persons for the Study.

4. Workshop

The workshop that was held on January 29, 2002, drew 30 participants from the DOE, TRANSCO, NPC Corplan, NPC-SPUG and NEA, provided an excellent opportunity for JICA to learn about their anxieties over preparation of PEP, PDP, TDP, MEP, NECDDP and also about their aspirations for the Study. The result of the workshop will be input to finalize the Implementation of Arrangements of the Study. The list of participants is as attached.

5. Rural Electrification (Treatment of the MEDP)

Although preparation works for the PDP and MEDP continue to be separately carried-out in the DOE, the PDP must hold a higher hierarchy than that of the MEDP because it forecasts power supply and demand across the country.

On one hand, the PDP takes a macro-level analytical approach. The MEDP, on the other hand, takes a micro-level analytical approach, and detailed work of the preparation of the MEDP consists of piling individual electrification and distribution-

network-extension projects.

The integration of these two programs in the JICA study is physically difficult partly due to the restriction on the input of manpower and partly because of the difference of the analytical approach. In this context, the Team recommended that DOE continue to discuss the treatment of this issue before the commencement of the Study.

6. Counterpart Personnel

The DOE proposed to include officials in charge from related organizations such as the TRANSCO, NPC-SPUG, and NEA, as counterpart personnel of the Study. The Team took note of it for further consideration in Japan, although the Team suggested that the DOE be the sole counterpart agency for the Study.

7. Local Consultants

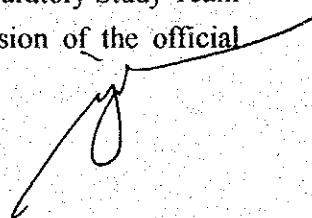
The DOE requested JICA to hire Philippine local consultants in conducting the Study. This is because one of the requirements for the endorsement by NEDA is to promote hiring of local consultants in the Study, as well as they must be equipped with more extensive experience and expertise in the field of engineering, economics, and the Philippine laws. The Team understood of the matter and promised to convey this request to Japan for further consideration.

8. Field Survey

Since the study area will include not only Metro Manila but also the Luzon Grid, Visayas Grid and Mindanao Grid, a field survey may be necessary in case that data collection is to be conducted outside Metro Manila. If the field survey is conducted in the areas especially where Japanese consultants are not allowed to enter for security reasons, the DOE counterpart team shall undertake the survey, in cooperation with the local consultants with which JICA subcontracts.

9. Dispatch of the Preparatory Study Team

To finalize the Implementation of Agreement on the Study, the Preparatory Study Team will be dispatched at its earliest possible time upon the submission of the official request for the Study to the GOJ.



**List of Participants to the Workshop on
"The Study on the Institutional Capability Building for the Department of Energy
under a Restructured Philippine Electric Power Industry"**

1. Ms. Yolanda M. Villaseñor, Acting Director, ESAD, DOE
2. Mr. Chrysanthus S. Heruela, Acting Director, DAPD, DOE
3. Ms. Mylene C. Capongcol, Supervising SRS, ESAD, DOE
4. Ms. Elaine De Guzman, Supervising SRS, DAPD, DOE
5. Mr. Nelson G. Canlas, Senior SRS, ESAD, DOE
6. Mr. Lawrence C. Luczon, SRS II, ESAD, DOE
7. Mr. Noel D. Binag, Senior SRS, ESAD, DOE
8. Mr. Sherwin Adeva, SRS II, ESAD, DOE
9. Mr. Allan G. Bacudo, SRS II, ESAD, DOE
10. Ms. Delia Arenos, SRS II, ESAD, DOE
11. Mr. Josue Balacuit, ESAD, DOE
12. Ms. Thelma Ejercito, Senior SRS, DAPD, DOE
13. Mr. Antonio Barcelona, SRS I, DAPD, DOE
14. Ms. Maripaz De Leon, SRS II, SPMD, DOE
15. Mr. Hermie Areola, Senior SRS, SPMD, DOE
16. Mr. Dadee Fernandez, Senior SRS, SPMD, DOE
17. Ms. Hershey Dela Cruz, Senior SRS, SPMD, DOE
18. Mr. Danilo Vivar, Senior SRS, SPMD, DOE
19. Ms. Lana Rose Manaligod, Senior SRS, SPMD, DOE
20. Mr. Eric Navarette, SRS I, SPMD, DOE
21. Mr. Robinson Descanso, Manager, Luzon Transco Planning
22. Mr. Isidro E. Cacho Jr, Principal Engineer A
23. Mr. Zaldy Ollivino, Manager, VisMin Transco Planning
24. Ms. Marie P. Garcia, Sr. Corporate Staff Officer, NPC
25. Mr. Francisco P. Jose, Corporate Staff Officer, NPC
26. Mr. Rafael Abergas, Manager, NPC-SPUG
27. Mr. Rene B. Baruela, Manager, NPC-SPUG
28. Ms. Victoria A. Mabitazan, Chief, Corplan, NEA
29. Mr. Alan Neil L. Mariñas, Sr. Corporate Budget Specialist, NEA
30. Ms. Rhina Hilario-Angue, Sr. Economist, NEA
31. Mr. Gregory Vincent O. Ferrer, Sr. Research Analyst, NEA
32. Mr. MARIO C. MARASIGAN, DOE

<JICA Team>

1. Mr. Akira Niwa, Team Leader
2. Mr. Shūnichiro Mita, Administration on Technical Cooperation
3. Ms. Fumiko Yamada, Study Planning
4. Mr. Kunio Okawara, Power Development Planning
5. Mr. Masayasu Ishiguro, Privatization Promotion
6. Ms. Yuki Todoroki, Workshop Moderator
7. Jun Tamakawa, JICA Expert (DOE)

Signature

	(absent)
1. Ms. Yolanda M. Villaseñor	[Signature]
2. Mr. Chrysanthus S. Heruela	[Signature]
3. Ms. Mylene C. Capongcol	[Signature]
4. Ms. Elaine De Guzman	(absent)
5. Mr. Nelson G. Canlas	[Signature]
6. Mr. Lawrence C. Luczon	[Signature]
7. Mr. Noel D. Binag	[Signature]
8. Mr. Sherwin Adeva	[Signature]
9. Mr. Allan G. Bacudo	[Signature]
10. Ms. Delia Arenos	[Signature]
11. Mr. Josue Balacuit	[Signature]
12. Ms. Thelma Ejercito	[Signature]
13. Mr. Antonio Barcelona	[Signature]
14. Ms. Maripaz De Leon	[Signature]
15. Mr. Hermie Areola	[Signature]
16. Mr. Dadee Fernandez	[Signature]
17. Ms. Hershey Dela Cruz	[Signature]
18. Mr. Danilo Vivar	[Signature]
19. Ms. Lana Rose Manaligod	[Signature]
20. Mr. Eric Navarette	[Signature]
21. Mr. Robinson Descanso	[Signature]
22. Mr. Isidro E. Cacho Jr	[Signature]
23. Mr. Zaldy Ollivino	[Signature]
24. Ms. Marie P. Garcia	[Signature]
25. Mr. Francisco P. Jose	(absent)
26. Mr. Rafael Abergas	[Signature]
27. Mr. Rene B. Baruela	[Signature]
28. Ms. Victoria A. Mabitazan	[Signature]
29. Mr. Alan Neil L. Mariñas	[Signature]
30. Ms. Rhina Hilario-Angue	[Signature]
31. Mr. Gregory Vincent O. Ferrer	[Signature]
32. Mr. MARIO C. MARASIGAN	[Signature]
<JICA Team>	
1. Mr. Akira Niwa	[Signature]
2. Mr. Shūnichiro Mita	[Signature]
3. Ms. Fumiko Yamada	[Signature]
4. Mr. Kunio Okawara	[Signature]
5. Mr. Masayasu Ishiguro	[Signature]
6. Ms. Yuki Todoroki	[Signature]
7. Jun Tamakawa	(absent)

DRAFT

IMPLEMENTING ARRANGEMENT
ON
TECHNICAL COOPERATION
FOR
THE STUDY
ON
INSTITUTIONAL CAPACITY BUILDING FOR THE DOE UNDER A
RESTRUCTURED PHILIPPINE ELECTRIC POWER INDUSTRY
IN
THE REPUBLIC OF THE PHILIPPINES
AGREED UPON BETWEEN
THE DEPARTMENT OF ENERGY
AND
THE JAPAN INTERNATIONAL COOPERATION AGENCY

Manila, , 2002

Leader
Preparatory Study Team
Japan International Cooperation Agency
Japan

Cyril Del Callar
Undersecretary
Department of Energy
The Republic of the Philippines

I. INTRODUCTION

In response to the request of the Government of the Republic of the Philippines (hereinafter referred to as the "GOP"), the Government of Japan (hereinafter referred to as "GOJ") has decided to conduct the Study on the Institutional Capacity Building for the DOE under a Restructured Philippine Electric Power Industry (hereinafter referred to as "the Study"), and exchanged the Notes Verbales with the GOP concerning the implementation of the Study.

Accordingly, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programmes of the GOJ, shall undertake the Study in accordance with the relevant laws and regulations enforced in Japan.

On the part of GOP, the Department of Energy (hereinafter referred to as "DOE") shall act as the counterpart agency to the Japanese Study Team and shall also serve as the coordinating body in relation with other governmental and non-governmental organizations concerned for the smooth implementation of the Study.

This document constitutes the Implementing Arrangement (IA) between JICA and the DOE consistent with the Notes Verbales exchanged between both governments.

II. OBJECTIVES OF THE STUDY

The primary objectives of this Study are (1) to contribute toward enhancement of the capability of the DOE in preparation of the Power Development Program (hereinafter referred to as the "PDP")¹ and (2) to draw up the related policies and measures. Accordingly, after completion of the Study, the DOE will be able to prepare and update annually the PDP and formulate the necessary policies and measures that shall provide signal to and promote private sector investments in the country.

¹ In this document, PDP refers to an integrated and comprehensive plan that is

based on and reflects all other relevant information contained in among others, the Transmission Development Plan (TDP) of the National Transmission Company (TRANSCO), Annual Development Plans of Investor-Owned Distribution Utilities, the Missionary Electrification Plan (MEP) of National Power Corporation's Small Power Utilities Group (NPC-SPUG), the Missionary Electrification Development Plan (hereinafter referred to as the "MEDP") and the National Electric Cooperatives Distribution Development Plan of the National Electrification Administration (NEA) (hereinafter referred to as the "NECDDP".)

Accordingly, it is envisioned that the PDP shall be designed and formulated consistent with the Electric Power Industry Reform Act of 2001 (hereinafter referred to as "R.A. 9136" or "EIRA"). In other words, the PDP should be an effective tool for DOE to perform its policy-making function, while serving as a framework that shall provide all sectors with appropriate and adequate information and guidance to electric power industry participants including all electricity end-users regarding the conduct of their respective businesses, including future directions for the power industry.

Under R.A. 9136 or EIRA, some of the new tasks that the DOE shall undertake are as follows:

- (a) Policy-making for power development (i.e., Power Development Policy Statement, in other words, the Power Development Program (PDP))
- (b) Evaluation/assessment of various development programs including investment plans which will be submitted to the DOE by TRANSCO, IOUs, NEA, SPUG, and if deemed necessary, development plans of generation companies (GENCOs). Moreover, the DOE shall approve the TDP of TRANSCO.
- (c) Formulate measures to fill up any projected deficit in power supply
 - ✓ To facilitate additional private investments

- ✓ To identify barriers and gaps
 - ✓ To formulate and issue relevant policies that will facilitate entry of private investments
 - ✓ To assess performance of the electricity market
 - ✓ To promote consumers education on power industry
 - ✓ To encourage the public investment program including TDP (this entity will be privatized soon through a concession), NECDDP, and MEP
- (d) Data collection, analysis, and projections of power demand and supply, necessary to carryout the aforementioned policy-making function.
- ✓ Linkage with the Philippines Energy Plan (PEP)—outlook of the primary energy development
 - ✓ Power demand forecast
 - ✓ Estimation of the size of necessary power development in the future
 - ◇ By region
 - ◇ By entrants (both the private and public sectors)
 - ✓ Analysis of development programs of other institutions such as TRANSCO, GENCOs, IOUs, and Rural Electric Cooperatives through the NEA.

III. THE STUDY AREA

The Study will be undertaken in Metro Manila and areas in the Luzon Grid, Visayas Grid and Mindanao Grid which the Study may identify for the purpose of implementing the Study. The actual surveys including data collection will be conducted mainly in Metro Manila.

IV. SCOPE OF THE STUDY

(1) Identification of the DOE's Functions under RA 9136 or EIRA

The Study will identify specific functions, roles and activities that the DOE shall undertake under R.A. 9136 or EIRA. The entire Study Team including relevant DOE units in charge of the Power Development Planning, Investment Promotion, and EIRA Implementation shall jointly conduct the necessary examination and discussion, and shall provide recommendations to the DOE on how these functions and activities shall be effectively implemented.

(2) Collection, Review and Assess of Data

(a) Planning for Power Development

- ✓ Review of current methodology in preparation for, evaluation of, and approval of the TDP of TRANSCO, assessment and integration of the related plans such as development plans of IOUs, MEP of SPUG, and NECDDP of NEA, and make presentation of the results of the review to DOE;
- ✓ Procedures and standards of preparation, evaluation and approval including prioritization of individual plans and identification of funding requirements and fund sources;
- ✓ Current practices and methodologies (i.e. models of software) on power demand forecasting as well as programs for system expansions in meeting the projected system demand;
- ✓ Current operational and performance level of each of the industry participants, identifying their respective strengths and weaknesses;
- ✓ Existing procedure manuals currently used, if any; and

- ✓ Other countries' experiences and practices in power development planning and procedures for coordination of generation and transmission development plans

(b) Promotion of Private Investments

- ✓ R.A. 9136 and the draft Implementation Rules and Regulations (IRR);
- ✓ Current status of investment laws and IRRs, incentives and investment activities, and procedures for approval or permission to engage business in the Philippines power industry;
- ✓ Investment laws relating to the power sector, incentives and investment activities in other countries;
- ✓ Availability of database of and information on investment activities in the power industry; and
- ✓ Present plan for the establishment of the Energy Investment Promotion Office within the DOE.

(3) Analyze and identify the technical vulnerabilities of the generation sector in terms of efficiency, reliability and stability in the activities of generation planning and operation

(a) Generation Planning

- ✓ Methodology on power demand forecasting;
- ✓ The latest Generation Plan;
- ✓ Coordination of Generation Plan and TDP, MEDP, and other related plans;
- ✓

(b) Generating Plant Operation

- ✓ Generating plant operation; and
- ✓ Improvement of electric power quality (especially of frequency control);

(4) Develop the methodology for preparation of PDP, and standards, procedures and manuals

(a) Power Development Planning to secure stable power supply to end-users as well as to minimize the total cost of generation and network. Following aspects shall be considered.

- ✓ Power demand forecasting methodology;
- ✓ Coordination of Generation Plan and TDP and other related plans;
- ✓ Generating plant operation and electric power quality; and
- ✓ Benefits of interconnection reinforcement of transmission networks among islands;

(b) Prepare draft PDP including the necessary workflow and detailed methodology. This draft shall incorporate the following issues in conformity with the long-range plan for the next decade.

- ✓ Construct a simulation model to forecast power demand and power development, and prepare necessary manuals or handbooks;
- ◇ Collection of the information on private power investment and construction of database; and
- ◇ Incorporate of individual development plans of other institutions into the PDP.
- ✓ Set standards for the evaluation of the individual development plans of other institutions which shall provide preliminary conditions to prepare the PDP;

◇ Manuals for evaluation

- ✓ Identify policy issues and provide recommendations for consideration of the DOE.
- (5) Set up the Energy Promotion Investment Office in consideration of the following issues.
- (a) Policy-making/setting needed to tailor-fit investment-related laws and business environment including incentives for investors in the energy sector taking into account the long gestation period and capital intensive characteristics of the sector;
 - (b) Design the functions and role of the Energy Investment Promotion Office, and organizational collaboration with various divisions of the DOE and other concerned agencies of the GOP; and
 - (c) Design investment modes and promotion activities for the energy sector.
- (6) Conduct of the necessary workshops and training to DOE, SPUG, NEA and other key industry players/participants.
- (7) Procure, installation, and testing of the computer systems and software for DOE required in preparation of PDP.
- (8) Submission of the Final Report and Manual(s)

The study will summarize necessary measures and recommendations in the Final Report, and also submit manuals or handbooks for the preparation and evaluation of PDP. Also, it is understood that the computer systems and the attendant software shall have been provided to and tested with DOE.

V. SCHEDULE OF THE STUDY

The study will be carried out in accordance with the attached tentative work schedule (see appendix 1).

VI. REPORT

JICA shall prepare and submit to the DOE the following reports in English.

- (1) Twenty (20) copies of the Inception Report
- (2) Twenty (20) copies of the Interim Report
- (3) Thirty (30) copies of the Draft Final Report
- (4) Thirty (30) copies of the Final Report

VII. UNDERTAKING OF GOP

In accordance with the Note Verbales exchanged between GOJ and GOP, GOP shall accord privileges, immunities and other assistance to the Japanese Study Team (hereinafter referred to as "the Team") in connection with the performance of their duties for the Study and, through the authorities concerned, take necessary measures to facilitate the smooth conduct of the Study.

- (1) GOP shall be responsible for dealing with claims which may be brought by third parties against the members of the Team and shall hold them harmless in receipt of claims and liabilities arising in the course of, or otherwise connected with the discharge of their duties in the implementation of the Study, except when such claims or liabilities arise from gross negligence or willful misconduct of the above-mentioned members.
- (2) DOE shall, at its own expense, provide the Team with the followings, in cooperation with other agencies concerned:
 - (a) Available data and information related to the Study;

- (b) Counterpart personnel and support staff necessary for the Study;
 - (c) Suitable office space within DOE;
 - (d) Identification card to each of Team members.
- (3) To facilitate smooth conduct of the Study, DOE shall make necessary arrangements with other governmental and non-governmental organizations concerned for the following:
- (a) to secure the safety of the Team;
 - (b) to permit the members of the Team to enter, leave and sojourn in the Philippines for the duration of their assignment therein;
 - (c) to exempt the members of the Team from taxes, duties fees and other charges on equipment, machinery and other materials brought into the Philippines for the conduct of the Study;
 - (d) to exempt the members of the Team from income taxes and charges of any kind imposed on or in connection with any emoluments or allowances paid to the members of the Team for their services in connection with the implementation of the Study;
 - (e) to provide the necessary facilities to the Team for remittance as well as utilization of the funds introduced into the Philippines from Japan in connection with the implementation of the Study;
 - (f) to secure permission for entry into private properties or restricted areas for the conduct of the Study;
 - (g) to secure permission for the Team to take all data and documents (including map and photographs) related to the Study out of the Philippines to Japan by the Team; and
 - (h) to provide medical services as needed. Their expenses will be chargeable to the members of the Team.

VIII. UNDERTAKING OF GOJ

In accordance with the Note Verbales exchanged between GOJ and GOP, GOJ, through JICA, shall take the following measures for the implementation of the Study:

- (1) to dispatch, at its own expense, the Team to the Philippines;
- (2) to hire local experts/consultants in consultation with and concurrence of the DOE;
- (3) to provide funding for workshops and training of the Philippine counterpart Study Team;
- (4) to pursue technology transfer to Philippine counterpart personnel in the course of the Study.

IX. CONSULTATION/COORDINATION

JICA and DOE shall consult with each other in respect of any matter that may arise from or in connection with the Study.

Tentative Schedule of the Study

Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
(1) Identification of the DOE's functions under R.A.9136 or EIRA	■															
(2) Collection, Review and Assess			■													
(3) Analyze and identify the technical vulnerabilities of the generation sector in terms of efficiency, reliability and stability in the activities of generation planning and operation					■											
(4) Develop the methodology for preparation of PDP, and standards, procedures and manuals								■								
(5) Set up Energy Promotion Investment Office	■										■					
Procure, Installation, and Testing of Computer Systems and Softwares	▽			▽			▽									
Reports	Inception Report ▽						Interim Report ▽					▽		Final Report ▽		
				Progress Report								Draft Final Report				
Training and Workshop				▽			▽					▽				

Note 1: Tentative means the whole content listed here is not final and shall be subjected to further discussion and approval of GOJ

■ Works in Philippines □ Works in Japan

Tentative¹ Member List of the Study Team

	Title	Number
1.	Team Leader (Energy & Power Policy)	1
2.	Power Planning	1
3.	Foreign Direct Investment Specialist	1
4.	Administrative & Civil Law Specialist	1
5.	Demand Forecasting Expert	1
6.	Generation Planning Expert	1
7.	Power System Operation Specialist	1
8.	Transmission/Distribution Engineer	1
9.	Rural Electrification Policy Specialist	1
	Total	9

Note 1: Tentative means the whole content listed here is not final and shall be subjected to further discussion and approval of GOJ.