



PRESS RELEASE 2019-007 11 June 2019

PCC, DOE sign partnership for cooperation, investigation in power sector

The Philippine Competition Commission (PCC) and the Department of Energy (DOE) ink a Memorandum of Agreement (MOA) on Tuesday in a bid to promote market competition and coordinate investigations in the power sector.

"The PCC and the DOE share a common vision of a more robust competition landscape in the power industry. With the energy department having the technical assets and ensuring proper functioning of the energy sector, we are confident this complementation of efforts with PCC's own investigative capacity will lead to a stronger push for competition enforcement," said PCC Chair Arsenio M. Balisacan.

The MOA sets the stage for both agencies to provide collaborative mechanisms where the PCC and DOE can count on information sharing, investigation support, technical audits, joint task forces, and continued capacity-building and consultations. It also paves the way for the creation of a technical working group to coordinate investigation efforts into alleged collusions or abuses of dominance in the energy sector.

In April, the PCC said it will look into allegations of possible collusion or abuse of dominance of certain power generators following simultaneous shutdowns that may have caused an artificial supply shortage and consequently a hike in electricity prices.

The DOE is charged to implement policies ensuring reliability, quality and security of supply of electric power. On the other hand, the PCC, as the country's competition authority, is mandated to prohibit anticompetitive agreements and conduct in all sectors of the economy, and impose fines and penalties for violators.

The PCC warns power generation companies from engaging in anticompetitive or collusive behavior which is punishable by the competition law with fines of up to P250 million, and imprisonment of responsible officers of up to seven (7) years.



"Ensuring consumers are provided adequate supply of electricity on fair terms and prices, while allowing market players of all sizes to operate on a level playing field is at the center of our partnership," Balisacan said.

The PCC-DOE MOA is the latest in a string of partnerships with government agencies and institutions in strengthening a coordinated, inter-agency approach to promote fair market competition.

###

REFERENCE:
Penelope P. Endozo
publicaffairs@phcc.gov.ph
Public Affairs Division
Philippine Competition Commission