



**PENINSULA ELECTRIC COOPERATIVE, INC.**

# 2023 Annual Report



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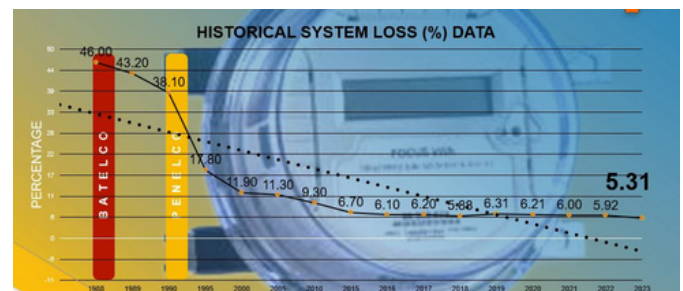
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# 2023 PENELCO Update

2023 Highlights of  
Peninsula Electric  
Cooperative, Inc.'s  
Operations and  
Achievements

## Engineering Achievements



## System Loss Reduction

Total system loss is 5.31% that resulted in a decrease in the passed on rate to consumers, equivalent to Php0.0548 per kWh.



### Line Rehabilitation and Kilowatt-hour Meter Replacement

- 1.850 km. three phase line (single circuit)
- 0.100 km. three phase line (double circuits)
- 0.100 km. three phase line (triple circuits)
- 3.192 km. single phase line
- 7.948 km. open secondary line

A key component was the calibration or replacement of outdated kilowatt-hour meters free of charge. This initiative has made a significant impact in reducing the Co-op's system loss.



### Line Extension

- 2.015 km. three-phase line
- 6.145 km. single phase line
- 7.255 km. open secondary line

Expanded our power lines to better serve residential, low and high voltage customers. This development is a testament to our dedication to providing reliable and efficient power supply. With this, we are not only increasing our capacity but also enhancing the stability of our power supply.

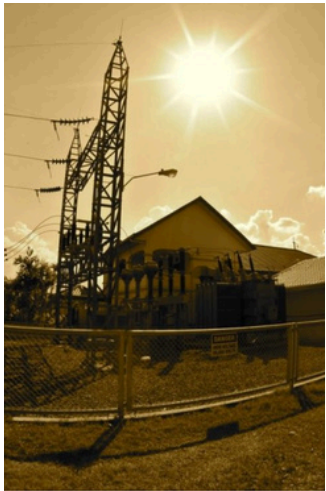


## POWER SUBSTATION AND SUB-TRANSMISSION ACCOMPLISHMENTS

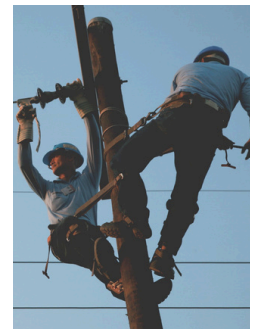
Throughout 2023, we conducted annual preventive maintenance on PENELCO's Twenty-Five (25) power substations. Starting in the first quarter and concluding in the fourth, this crucial activity was carried out to bolster the reliability of all substations and preempt potential failures. Our commitment to reliability remains steadfast.

### Substation Projects

We're excited to announce that the Calungusan 20MVA Substation in Orion was successfully energized at no load on February 4, 2023. By February 21, we had transferred the load from the existing Orion 10MVA Substation to this new facility. This strategic move not only alleviates the burden on the Orion Substation but also efficiently meets the increasing power demand of the Orion Municipality. We continue to strive for service excellence and growth.



We're on the brink of completing another milestone - the construction of the new 20MVA Substation, Palihan 2, in Hermosa. As we wrap up 2023, we eagerly await NGCP's approval for its energization, slated for the 2nd quarter of 2024. This addition will boost the capacity of the existing Palihan 10MVA Substation and cater to the escalating power needs of the Hermosa Ecozone Industrial Park. Our commitment to powering community progress remains strong.



The Supervisory Control and Data Acquisition (SCADA) project that initiated in June 2020, is nearing completion with a 97.7% progress across all six (6) phases. This project is set to revolutionize PENELCO's operations by automating and centralizing our existing and proposed substations.



## 69kV Sub-transmission Line

### Double Circuit 69kV line from Alangan, Limay to Balanga City

- 💡 One hundred six (106) poles erected and dressed
- 💡 7.56 ckt. km. strung with 795MCM conductors
- 💡 Estimated to be at twenty percent (20%) completion as of December 2023

### Single Circuit 69kV line from Palihan, Hermosa to Abucay

- 💡 One hundred thirty-seven (137) poles erected and dressed
- 💡 5.64 ckt. km. strung with 795MCM conductors
- 💡 Estimated to be at forty percent (40%) completion as of December 2023



As part of our ongoing commitment to infrastructure improvement, PENELCO has been diligently working on multiple projects. We have been systematically replacing deteriorated wooden poles with robust steel ones and upgrading worn-out lines with new conductors and insulators. In addition, we have undertaken the task of clearing vegetation from the right of way to prevent any potential disruptions. These initiatives are all aimed at enhancing the reliability and stability of our 69kV lines.

## Main Office and Service Center Facilities

PENELCO is enhancing its facilities. Renovations at Bagac and Morong Service Centers are underway in 2023, with completion expected by end of 2024. Concurrently, the new Orion Service Center is being built, aligned with the Calungusan 20MVA Substation, and is also set to finish by end of 2024.



PENELCO is committed to improving its Main Office. The construction of the new Motorpool Building, which started in December 2022, is progressing throughout 2023. This facility will house motorpool services, carpentry, and various fabrication activities, with completion anticipated by the end of 2024.





## INSTITUTIONAL ASPECTS AND ACTIVITIES

### Connections

Provided 8,229 new household connections, reaching a total of 236,916 households with access to electricity.

### Membership

Reached 203,959 members with ongoing sanitation program and new membership connections.

### AGMA

27,571 member-consumers registered for virtual Annual General Membership Assembly via Facebook Live.

In the vibrant tapestry of activities we offer our valued members, several stand out as highlights.



#### Outreach Programs

Extending our hands to those in need.



#### Feeding Programs

Nourishing our community with love and care.



#### Suporta Eskwela

Supporting a brighter education for a brighter future.



#### BAPA Christmas Party

Celebrating the joy of the season together.



#### Community Pantry

Sharing resources to uplift each other.



#### Christmas Gift Giving

Spreading cheer with heartfelt gifts.



**Taskforce Kapatid**

Fostering a spirit of brotherhood and unity.



**Tree Planting with Line Clearing**

Balancing development with environmental care.



**Showcase EC**

Embarking on a journey of sharing and learning.



- **Brgy. Information Campaign:** Empowering our community with knowledge.
- **Consumer Awareness:** Educating members for informed decision-making.
- **PENELCO Chatbot:** Innovative digital assistant support to PENELCO consumers.
- **AGMA:** Gathering for important discussions and decisions.

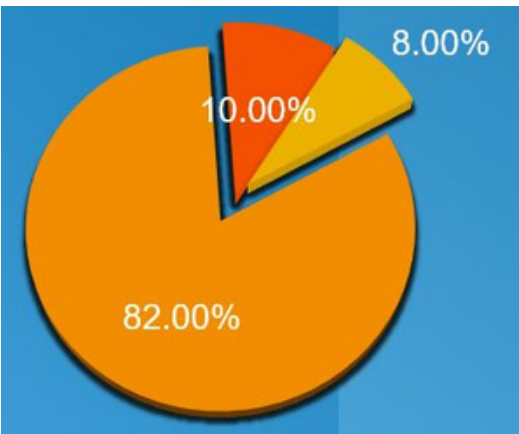
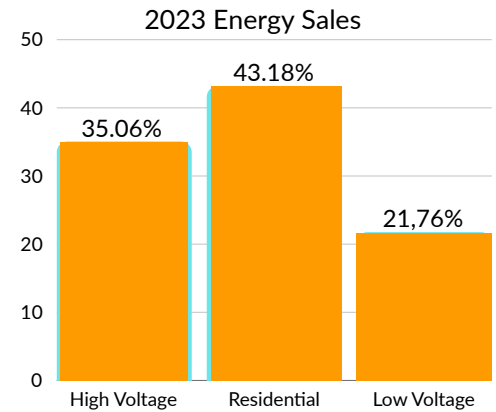
- **Lifeline Discount Availment:** Making essential services more affordable.
- **Pay Anywhere Scheme:** Offering convenience in bill payments.
- **Outreach Program on Mental Health Awareness:** Educating and fostering mental well-being for all.
- **Lineman Appreciation Day:** Honoring the heroes who keep our lights on.

# FINANCIAL MATTERS

## Energy Sales/Operation

In 2023, our Cooperative registered energy sales of 859,576 MWh, from 188,890 active consumers. The visual representation at the right underscores our commitment to transparency and our dedication to serving our valued consumers.

Part of the High Voltage Sales is Retail Electricity Suppliers (RES) with a registered energy of 181,504 MWh which caters ten (10) contestable customers.



For the year 2023, our Cooperative achieved a positive net margin. It is important to note that 82% of our revenue was allocated towards the cost of power, an area beyond our control. Only a minimal 10% was directed towards non-power costs. This effectively means that for every ONE PESO (Php1.00) of revenue, a mere TEN CENTAVOS (Php0.10) was utilized for PENELCO's operations.

## Collection Efficiency

PENELCO maintained an impressive performance in 2023, achieving a collection efficiency rate of 97.75%. We are proud of this accomplishment and remain committed to maintaining high standards in our operations.

## Power Purchases and Discount

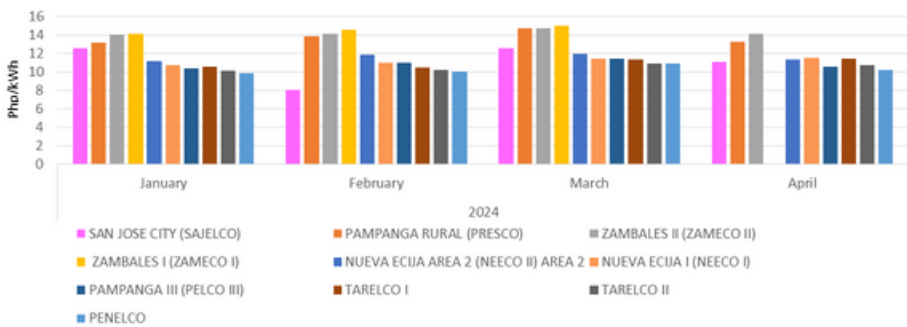
In 2023, our energy was sourced from four suppliers: GNPowder Mariveles Energy Center Ltd. Co. (GMEC), GNPowder Dinginin Coal Plant (GNPD), Sual Power Inc. (SPI), and Independent Electricity Market Operator of the Philippines (IEMOP), contributing 49.64%, 25.22%, 15.91%, and 9.00% respectively. The remaining 0.23% was from the Net-Metering scheme.



We continued to avail discounts to reduce electricity rates. This year, we received Php49.98M in Prompt Payment Discount (PPD) from GMEC, GNPD, and SPI, Php23.13M in Collection Efficiency Discount (CED) from SPI, and Php4.15M in Operational Discount (OD) from GMEC. We also received Php86.60M from GMEC and GNPD for Unutilized Contracted Capacity of the Buyer (UCCB), and Php5.87M in Volume Discount (VD) and Php16.76M in Capacity Utilization Discount (CUD) from GNPD. Half of these discounts were returned to our consumers, resulting in a rate reduction of Php0.1150 per kWh.

# Delivering Competitive and Affordable Electricity Rates

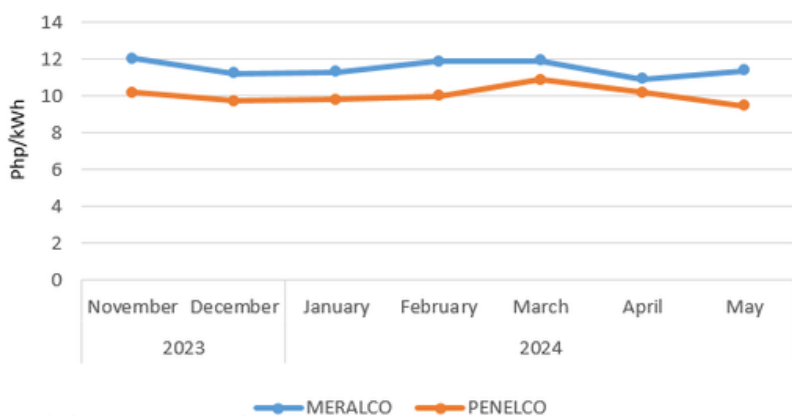
Region 3 EC's Rate Comparison



We take pride in announcing that PENELCO consistently ranks at the top when it comes to offering competitive electricity rates in Region 3. The accompanying bar graph illustrates this by comparing the residential rates of electric distribution utilities in Region 3.

When compared to MERALCO, the largest distribution utility, PENELCO's rates are significantly lower. This is a testament to our commitment to providing affordable electricity to our consumers. In May 2024, our rate stood at Php9.49/kWh, which was Php0.70 per kWh lower than the April 2024 rate of Php10.19/kWh. This translates into substantial savings for our customers. Looking ahead, we anticipate maintaining these competitive rates for the next three (3) months, assuming there

PENELCO and MERALCO Rate Comparison



\*Graph shows comparison of Residential rates.

are no significant increases from our power suppliers. This means our customers can expect the same affordable rate they enjoyed in May 2024. We extend our heartfelt thanks for your continued support and pledge to keep striving to provide you with reliable and affordable electricity.

## DIGITAL INFRASTRUCTURE ENHANCEMENT

### Fiber Optic Installation



Our dedicated team has successfully installed a 96 Core ADSS Fiber Cable spanning an impressive 210 km. This project was meticulously executed using a star topology, with a strategic allocation of four (4) cores for each Service Center (SC) and Substation. This task was completed by our team of fifteen (15) personnel, including three (3) skilled splicers.

In addition to enhancing our network infrastructure, we have also undertaken our support for the safety of our motorists wherein we have allocated two (2) cores for the Metro Bataan Development Authority (MBDA), demonstrating our commitment to supporting public services and regional development.

