

Meralco presents 5 strategic pillars for energy security at the Asia CEO Forum



Two hundred top executives attended the Asia CEO Forum to hear Meralco's presentation on strategic business pillars for energy security to serve the needs of SMEs and corporate business groups.

Meralco gears up to meet the projected demand for energy supply in line with its corporate goal of helping the country sustain future growth. “The future may be uncertain but it will be ‘electrifying’...” Meralco’s Senior Vice President (SVP) and Head of Customer Retail Services and Corporate Communications, Alfredo S. Panlilio said as he addressed top executives of various large and small to medium enterprises during the Asia CEO Forum held at the Dusit Thani hotel in Makati.

Meralco has taken a proactive stance towards nation building and is supporting the country’s sustained economic growth. To support the Philippines’ upward traction, Panlilio said Meralco has been focusing on enhancing customer engagement initiatives based on five strategic business pillars for energy security.

Strategic Business Pillars

“To help foster this positive economic environment, we came up with five strategic business pillars that will address the unique needs of our various customer segments,” Panlilio said.

Among these pillars is the strengthening of Meralco’s core distribution utility.

The power company is enhancing the capability of its network system backbone and electronic distribution infrastructure. It introduced an innovative approach via power supply agreements (PSAs), which help temper the rise of generation charges, which account for 58% of customers’ monthly bills.

Meralco also initiated franchise expansion programs to bring its best practices to other utility companies and cooperatives in the country, as well as privatization initiatives overseas. In 2011, it entered into an integrated energy distribution marketing agreement with Nigeria, its first overseas power generation initiative.

Following the Nigeria venture, Meralco also concluded in March this year the acquisition of GM Energy in Singapore, now known as Pacific Light, and built an 2x400MW energy power plant in Jurong, Singapore. Panlilio said Pacific Light Singapore is targeted to launch in the 1st quarter of 2014. The third business pillar is Meralco’s power generation program, which according to Panlilio, is in line with the company’s



desire to be ‘part of the solution to assure efficiency, reliability and competitiveness in the supply of power in the country.’ Leading this program is Meralco’s power generation subsidiary, Meralco PowerGen Corporation (MGen), which is expected to generate power of up to 2,700MW until 2020. “We are also providing customers the option to choose their retail electricity supplier (RES) through our retail competition agreement or RCOA with our business partners,” said Panlilio. By opening up the market to competition, Meralco’s customers can freely switch suppliers to ensure competitive prices and quality of service. Completing the five business pillars is Meralco’s subsidiaries and value optimization program. “Meralco offers vertically integrated solution in the industry through subsidiaries such as MServ and Miescor. Traditionally, we serve

only within our network grid, while customers’ beyond the meter requirements are handled by our subsidiaries. Since last year, we have started to directly engage customers’ beyond the meter requirements,” Panlilio said. “Apart from serving the growing Meralco market, we want to help our subsidiaries gain profitable growth,” he added. “In addition, we want to explore subsidiaries in Singapore.”

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- Alfredo S. Panlilio
Meralco SVP and Head of Customer Retail Services and Corporate Communications

Innovative solutions

“The micro business segment expects value for money, reasonable rates, and fast and quality response on complaints. The small medium enterprises (SMEs) and corporate business groups (CBGs) look for reasonable rates, facilities to get quick response to complaints and inquiries, and new modern meters to monitor their power usage,” Panlilio said.

Meralco’s Smart Grid project is the right solution to address these customer needs, according to Panlilio.

“With Smart Grid, customers will be empowered because they will see their consumption at hourly intervals and thus take the actions needed to meet their budgets, or else reschedule activities to off peak hours for lower rates,” said Panlilio.

Smart Grid builds intelligence into the electricity network, allowing real-time feedback on network conditions, consequently minimizing outages and significantly improving restoration and complaints handling.

Meralco is also using Smart Grid as the platform to offer consumers Kuryente Load, the country’s first prepaid electricity service integrated with a telco backbone. This fits well with Filipinos’ penchant for sachet pricing to avoid the shock of a monthly bill.

For higher end residential customers, Meralco is offering home area networks that allow them to monitor and switch on or off their appliances remotely through their phones or tablets.

Smart Grid will also allow Meralco to accommodate renewable energy (RE) sources, and allow RE to power e-vehicle charging station as part of its green technology advocacy.

“We are cognizant of the challenges facing the world today, hence we are introducing innovative solutions to help meet customers’ unique needs,” Panlilio said.



Meralco SVP and Head of Customer Retail Services and Corporate Communications Alfredo S. Panlilio (2nd from left) together with (from left to right) European Chamber of Commerce Executive Director Martial Beck, Chalre Associates and Asia CEO Awards Chair Richard Mills and Delnet International Corp. President and CEO Klaas Oreeel.