



## CaFiS joins RE Conference & Expo 2010

Renewable energy practitioners and thought leaders came together for two-day Renewable Energy Conference & Expo 2010 at the Dusit Thani Manila in Makati on 2 and 3 December. Attendees from government, private industry, civil organizations, academe, financial institutions, international organizations, and research institutions discussed the Philippines' progress, as well as challenges faced, in the renewable energy sector.

Among the objectives of the conference was to gauge the impact of the Renewable Energy Act of 2008 (R.A. 9513) in terms of the development of the RE sector and of addressing the issues of climate change and energy security, a year and a half after its passage. The RE Act aims to enhance the country's capabilities in renewable energy by encouraging projects and investments in the sector. It is expected to facilitate energy self-sufficiency and environmental sustainability, as well as to contribute to the development of local communities.

Organized by the Renewable Energy Coalition and the Department of Energy (DOE), the conference featured a keynote address by no less than the President of the Republic, H.E. Benigno Simeon Aquino III. Various presenters and speakers included CaFiS, Inc. Managing Director Mr. Alan Silayan, who delivered a presentation on how the Clean Development Mechanism (CDM) enhances the viability of RE projects. CaFiS is a Philippines-based consulting firm specializing in CDM, carbon finance and renewable energy.



Alan Silayan

## Mini hydro power plant opens in Nueva Vizcaya



Ribbon-cutting with (L-R) Former Solano Mayor Santiago Dickson, Commonal Brgy. Capt. Rogelio Igua, former DOE Secretary Mr. Vince Perez, Austrian Ambassador H.E. Wilhelm Donko, SBMHC Chairman Fausto Preysler, Jr., MGL General Manager Mr. Yasushi Inada, and SBMHC President Knud Hedeager and his daughter.

Government representatives, dignitaries and renewable energy advocates from the private sector attended the inauguration of the Commonal-Uddiawan Mini Hydro Power Plant earlier this month. The plant, a run-of-the-river project by Smith Bell Mini Hydro Corp. (SBMHC), is located in Brgy. Commonal, Solano, Nueva Vizcaya and has a capacity of 1.8MW. It harnesses the renewable power of the Bintawan River to generate electricity estimated at 10GWh annually, or approximately 10% of the power requirement of the province.

As importantly as contributing to the energy security of the locality, the plant is projected to cut down greenhouse gas emissions by about 5,345 tons CO<sub>2</sub> yearly once it is fully operational, as it substitutes electricity that would have been produced from fossil fuel with that from a clean and renewable energy source. SBMHC has applied the mini hydro plant for Clean Development Mechanism (CDM) project status with the UNFCCC, with the help of its CDM consultant, CaFiS, Inc. Site validation was conducted last March as part of the CDM registration process.

According to SBMHC, they gave preferential employment to local residents, particularly during the construction of the plant when they employed more than 280 people, out of which majority were from local communities. Construction was started in April 2009. Civil works were handled by Baguio civil contractor UHPB, while Gugler Water Technology from Austria delivered the electro/mechanical supply. The USD 4-million project was financed by MGL from Japan. The Commonal-Uddiawan mini hydro plant first delivered power to the Nueva Vizcaya Electric Cooperative, Inc. (NUVELCO) on October 26, 2010.

Honorary guests included Austrian Ambassador, H.E. Wilhelm Donko, former Department of Energy Secretary Vincent Perez, Solano Mayor Philip Dacayo, and other officials of government and private sector partners. The programme included a tree planting activity, participated in by CaFiS Managing Director Alan Silayan and CDM Technical Advisor Jewella Vinson.



From CaFiS, Inc.: Technical Advisor Jewella Vinson (leftmost) and Managing Director Alan Silayan (far right).

## NEWS BITS

### RP wins cigarette dispute in WTO

A World Trade Organization panel has issued a report in mid-November favoring the Philippines in a cigarette trade dispute with Thailand, according to RP Permanent Representative to the WTO, Manuel Teehankee. The report states that measures taken by Thailand with regard to the importation of cigarettes from the Philippines since August 2006 has been inconsistent with WTO Rules and has thus affected the competitiveness of these products compared to those domestically manufactured in Thailand. It recommends that Thailand bring these measures into conformity with its obligations to the WTO. The report is to be adopted by the WTO Dispute Settlement Body if no appeal is taken by Thailand to the WTO's Appellate Body.

Thailand only has one local cigarette manufacturer—the state-controlled Thailand Tobacco Monopoly (TTM)—and thus imports all other cigarettes. The measures that were the subject of dispute involved customs valuations practices and domestic taxation.

### CDM validation starts for SF6 emission reduction project

An initial project review was conducted last 9 December for the National Grid Corp.'s (NGCP) SF<sub>6</sub> emission reduction project for its high-voltage transmission systems. Present were representatives of the NGCP's Environmental Management Division (EMD), the project's Clean Development Mechanism (CDM) technical advisors CaFiS, Inc., and specialists from Bureau Veritas Certification (BVC), the designated operational entity (DOE) and validator contracted for the project.

NGCP is the only high-voltage, high-tension transmission company in the Philippines. This project aims to reduce their sulfur hexafluoride (SF<sub>6</sub>) gas emissions into the atmosphere. While SF<sub>6</sub> is necessary to insulate equipment used in transmitting electricity, it is also one of the greenhouse gases identified by the Kyoto Protocol for reduction. It has a global warming potential 23,900 times of carbon dioxide (CO<sub>2</sub>). The project is estimated to reduce emissions of more than 16,000 tons CO<sub>2</sub> annually.

NGCP's emission reduction project is made possible with the assistance of the Institute for Global Environmental Strategies (IGES), a Japan-based organization with the objective of building carbon market capacity in developing countries like the Philippines. IGES contracted CaFiS to provide technical assistance for the project's CDM registration, from the formulation of the Project Design Document (PDD), Host Country Approval (HCA), and validation. CaFiS Managing Director Mr. Alan Silayan serves as the project's senior CDM advisor, assisted by another CaFiS technical advisor, Ms. Anna Rosario Simon.

The project design document (PDD) has been uploaded on the UNFCCC website for the global stakeholder process (GSP) on 27 November 2010. It marked the beginning of the validation process. Site validation begins on 22 December and is scheduled to continue until the end of February 2011.

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