



PANGASINAN I ELECTRIC COOPERATIVE (PANELCO I)

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# **Indigenous Peoples Plan**

## **Pangasinan I Electric Cooperative (PANELCO I)**

### **(EU ASEP Rural Network Solar)**

#### **Project Description**

Rural Network Solar (RNS) is one of the component projects under Access to Sustainable Energy Project (ASEP) program funded by European Union. ASEP is a World Bank-assisted program which aims to provide assistance to the Philippines in increasing access to electricity in a sustainable manner. The project will facilitate additional private investments into rural electrification and renewable energy through output based subsidies with implementing assistance of the National Power Corporation (NPC).

RNS aims to increase renewable energy production via small, grid connected solar power plants. It is expected that 7 MW of new renewable energy generation capacity will be brought on-line as a result of the project interventions. A capital subsidy buy-down based on a least-cost, *competitive approach* is expected to level the playing field for grid connected solar vis-à-vis higher polluting alternatives.

PANELCO I is one of the seven Electric Cooperatives qualified in the program having passed the initial screening requirements. Under the ASEP program, the EU will fund seventy (70%) of the project cost worth 51 Million pesos while the remaining thirty (30%) amounting to 22 Million pesos shall be funded by PANELCO I as equity counterpart. Aside from land, EC counterpart shall cover the pre-development costs on site development, fencing, tie-line from solar plant to nearby distribution substation, feasibility studies, and permits acquisition while the EU fund shall cover the Engineering, Procurement and Construction (EPC) cost of the solar plant.

The proposed PANELCO I RNS project is designed to have a total capacity of 1 MWp solar power plant to be situated at Barangay Mal-Ong Anda, Pangasinan. The purchased land has an area of 23,822m<sup>2</sup>, more or less will be used as the project site.

The output of the Solar plant shall be connected directly to Feeder 9 of Tara Substation with a tie-line length of around 195 meters to the nearby feeder line. The plant's generation shall form part of the supply portfolio of the EC that will serve all its grid-connected customers in Anda, Pangasinan. It is expected to have an annual energy production of 1.73 Million kWh at 20% plant capacity factor.

#### **Baseline Information of IPs**

The province has a land area of 5,451.01 square kilometers or 2,104.65 square miles. Its population in the 2015 census was 2,956,726 people. This represents 58.83% of the total population of the Ilocos Region, 5.14% of the overall population of the Luzon Island Group, or 2.93% of the entire population of the Philippines. Based on this figures, the population density is computed as 542 inhabitants per square kilometer or 1,405 inhabitants per square mile. The



population of Pangasinan grew from 1,124,144 in 1960 to 2,956,726 in 2015, an increase of 1,832,582 people. The latest census figures in 2015 denote a positive growth rate of 1.18%, or an increase of 176,864 people, from the previous population of 2,779,862 in 2010. Pangasinan is located on the west central area of the island of Luzon in the Philippines. It is bordered by La Union to the north, Benguet and Nueva Viscaya to the northeast, Nueva Ecija to the southeast, and Zambales and Tarlac to the south. To the west of Pangasinan is the South China Sea. The province also encloses the Lingayen Gulf. The province land area consists of 170km (110mi) north of Manila, 50km (31 mi) south of Baguio, 115 km (71 mi) north of Subic International Airport and Seaport, and 80 square km (31 sq mi) north of Clark International Airport. At the coast of Alaminos, the Hundred Islands has become a famous tourist spot. The terrain of the province, as part of the Central Luzon plains, is typically flat, with a few parts being hilly and/or mountainous. The northeast municipalities of San Manuel, San Nicolas, Natividad, San Quintin and Umingan have hilly to mountainous areas, situated at the tip of Cordillera Mountains. The Zambales Mountains extend to the province's western towns of Labrador, Mabini, Bugallon, Aguilar, Mangatarem, Dasol, and Infanta forming the mountainous portions of those towns.

The tribes in the province of Pangasinan include the Abelling, Aberling, Applai, Bago, Bontok, Ibaloy, Ibanag, Ifugao, Itneg, Iwak, Kalanguya, Kalinga and Kankanaey. They live in the towns of San Nicolas, San Manuel, Sison, Umingan, Pozorrubio, Laoac, Sual, Labrador, Bugallon, Mangatarem, Mabini, Infanta and Aguilar.

There are no IPs within the PANELCO I RNS project's host community, but they are present in some of the grid connected areas serviced by PANELCO I such as the towns of Mabini and Infanta. These IPs may be existing PANELCO I customers or potential customers who can benefit from the RNS project.

## Public Consultation

In the conduct of public consultation, PANELCO I will abide by the pre-cautionary measures imposed by the Department of Health (DOH) and Inter Agency Task Force (IATF) in relation to the Covid-19 pandemic. Basic pre-cautionary measures which shall be complied are mandatory use of face mask, proper hygiene/disinfection, practice of physical distancing, and isolation of an individual showing symptoms of Covid-19 virus.

The focus of public consultation will be on the Host community and Municipality where the project will be situated. There will be two public consultations that will be conducted, one with the barangay LGU and another with the Sangguniang Bayan legislative office. The project will be presented to both LGUs with emphasis on the presence of IP community representative during the consultation. The consultation aims to inform the LGUs about the project and gather concerns of the community that will be addressed prior and during the project implementation. Information that will be presented are related to project's background, description, timeline, impacts and mitigation measures. At the end of the consultation, a resolution of support for the project shall be requested to officially document the support of both LGUs and ensure no objection for the implementation. Thereafter, a public consultation report shall be submitted to the project management (NPC) and DOE as documentary compliance to the requirement.



## Project Benefit

Use of renewable energy from Solar is well known to have environmental and health benefits through generating energy that produces no greenhouse gas emissions from fossil fuels. For utility scale solar project like RNS, the benefits were magnified and extended the impact not only to the EC but more importantly to the Host Community and all customers within the EC franchise, including members of the IP communities.

Similar to other renewable energy project, residents of the host community will be given preference in employment during construction and the EC will undertake the development and training of employees for labor and staff positions needed in the operations. The EC is also required to undertake corporate social responsibility projects in coordination with Host LGUs focused on education and training of qualified and deserving beneficiaries. Finally, the EC will remit to DOE the equivalent amount of one centavo per kWh of energy generated by the plant in compliance to Energy Regulation (ER 1-94) wherein Host LGUs can tap the generated amount to fund their proposed electrification, development and livelihood, and environmental enhancement projects.

As to the benefits of EC customers within its franchise area, the use of solar technology will ensure a sustainable power and reduce the dependence on imported fuels (i.e. diesel and coal). With majority of its capital cost funded by grant from EU-ASEP, this will eventually result to a cheaper generation cost of the EC that is estimated to reduce the monthly power cost which will be translated into reduction of retail rate to its customers. In addition, RNS will aid the EC in its compliance to Renewable Portfolio Standards (RPS) which requires additional 1% of power supply every year shall be taken from renewable energy source. This will ensure a sustainable source of renewable energy for RPS compliance with stable rate compared to securing compliance energy from supply contracts with other renewable energy developers.

## Grievance Redress Mechanism

In the implementation of this project, PANELCO I shall adopt a Grievance Redress Mechanism (GRM) that will enable affected IP individual to raise grievances with PANELCO I and seek redress when they perceive a negative impact arising from the project implementation. This GRM aims to capture and resolve grievances effectively and expeditiously in a transparent manner within a period of fifteen (15) days after receipt. Below are the contact/hotline numbers of PANELCO I where an IP individual can lodge their query, concerns, and complaints regarding the project implementation and its operation:

Tel. No. +63 075-551-5564 (telefax)  
Mobile No. +63 928-502-7969 (Smart)

It is intended to serve as a reference for the affected IP individual who wishes to submit complaints and expect their concerns to be responded to and a general guide for PANELCO I on how to handle and resolve the grievances that will invariably emerge. Refer to PANELCO I Grievance Management.

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