

Indigenous Peoples Plan

Sultan Kudarat Electric Cooperative, Inc. (SUKELCO)
(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.

SUKELCO 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 SUKELCO 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 SUKELCO RNS project is designed to have a total capacity of 1.212 MWp solar power plant (without battery energy storage system) to be situated at the back of SUKELCO headquarters located at Brgy. Kalandagan, Tacurong City. Out of the 4.7hectare land area owned by the EC, the solar plant will cover 1.7 hectares bounded on all sides by open areas.

The output of the Solar plant shall be connected directly to the nearby 5 MVA Kalandagan Substation through a 110 meters 13.2 kV supply tie-line. The plant's generation shall form part of the supply portfolio of the EC that will serve all its grid-connected customers who are located in the city of Tacurong and the municipalities of Esperanza, Isulan, Bagumbayan, Lambayong, Pres. Quirino, and Columbio in Sultan Kudarat Province and municipalities of Buluan, Datu Paglas, SK Pendatun, Paglat, Pandag, and Mangudadatu in Maguindanao Province. It is expected to have an annual energy production of 2.12 Million kWh at 20% plant capacity factor.

Baseline Information of IPs

The population of Sultan Kudarat in the 2015 census was 812,095 people, with a density of 150 inhabitants per square kilometre or 390 inhabitants per square mile. During the 2000 census, the province had a total population of 586,505 inhabitants, which grew to 747,087 in the 2010 census. About 46.92 percent of the household population classified themselves as Hiligaynon/Ilongo. Others classified themselves as Ilocano (17.17 percent), Cebuano (9.21 percent), Manobo/Ata Manobo (5.37 percent) and the rest belonged to other ethnic groups (8.41 percent). About 113 ethnic groups were identified in the province in the 2000

Census. The Hiligaynons constitute the majority of the population, with Hiligaynon being the province's most widely spoken language. Other languages spoken in the province are Maguindanaon, Karay-a, Dulangan Manobo, Blaan, Teduray, Ilocano, and Cebuano. Tagalog and English are also widely understood and used in education, business, and administration as the national official languages.

Aside from the Hiligaynons, who settled in Sultan Kudarat around the 17th to 18th centuries along with the Karay-as, other ethnic groups in the province include the Maguindanaons (who constitute the majority of the provincial Muslim population), as well as the Manobos, Tedurays and Blaans, the three autochthonous ethnic groups of the province. Ilocanos and Cebuanos meanwhile are relative newcomers to the province, with the former comprising the majority of the population in the towns of Lambayong and President Quirino, and the latter in the town of Kalamansig.

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

Public Consultation

In the conduct of public consultation, SUKELCO will abide by the pre-cautionary measures imposed by the Department of Health (DOH) and Department of Public Works and Highways (DPWH) 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 City 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 City 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.

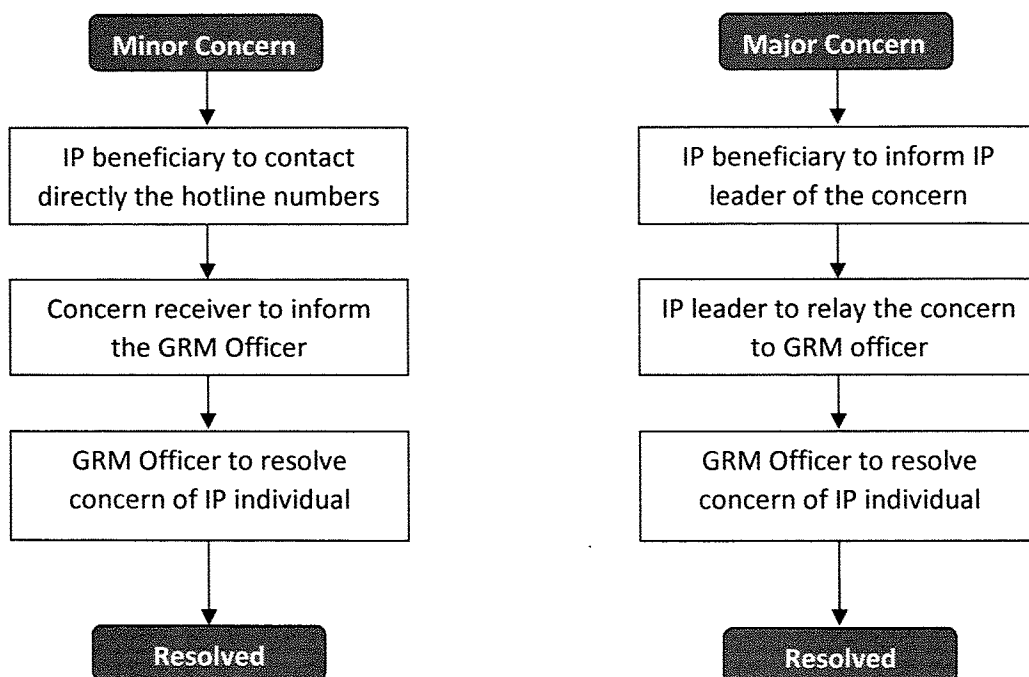
As to the benefits of EC customers within its franchise area, the use of solar technology will ensure a sustainable power and reduce the dependence on imported fuels (i.e. diesel and coal). With majority of its capital cost funded by grant from EU-ASEP, this will eventually result to a cheaper generation cost of the EC that is estimated to reduce the monthly power cost by P77,448 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, SUKELCO shall adopt a Grievance Redress Mechanism (GRM) that will enable affected IP individual to raise grievances with SUKELCO and seek redress when they perceive a negative impact arising from the project implementation. The Power Trading Officer/ Project In-charge, ENGR. MICHAEL JAY LEBANAN is the designated Grievance Officer of SUKELCO who will facilitate the Grievance Redress Mechanism. 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 SUKELCO where an IP individual can lodge their query, concerns, and complaints regarding the project implementation and its operation:

- Tel. No. +63 064 200-4050 / 064 200-3155
- Mobile No. +63 947 331-7257 (Smart)
- Mobile No. +63 927248-1965 (Globe)

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 SUKELCO on how to handle and resolve the grievances that will invariably emerge. Shown in the flow chart below are the GRM for the minor and major concerns:




Minor concerns are the usual inquiry concern that requires project information and that can be easily resolved. Major concerns are those other concerns that the IP individual deemed that he/she needs assistance from their IP leader. Both SUKELCO and affected IP individual shall exert their best effort to resolve any concerns within the GRM however if the same is not resolved, the IP individual may elevate their concern to their barangay and/or municipal IP representatives or leaders for further assistance and intervention. Unresolved complains within EC level can also be elevated to NPC and World Bank for their intervention and resolution.

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