



## The Lantau Group

**We are the region's premier energy-focused strategy and economic consulting group.**

Lantau Peak, on Lantau Island in Hong Kong, is also known as Chinese Phoenix Mountain, aptly reflecting the importance of reinventing the energy sector to meet the tough new challenges of volatile costs, market reform, environmental sustainability, energy security, technology, competition and globalisation.

## Philippines

The Philippines has a mature, commercially active and competitive electricity sector with a Wholesale Electricity Spot Market. Both the EPIRA and the Renewable Energy Act have provided a stable basis for private sector success.

Our team have been helping clients engage in the Philippine electricity and gas sectors since 2007, enabling them to answer some of the toughest questions in the business.

Based in Hong Kong, but with a strong presence on the ground, we bring unrivalled local knowledge combined with global perspectives, to deliver rigorous cost-effective analysis, with practical attainable solutions.

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**THE LANTAU GROUP**  
strategy & economic consulting

Our Approach



- We bring international experience, deep expertise, and intensive focus to our work for energy sector stakeholders in the Asia Pacific region. It's what we do.
- We provide independent, objective and well-grounded advice for decision makers based, to the extent possible, on what can be quantified and measured.
- We share our detailed regional knowledge gained first-hand through key projects for a wide range of stakeholders.
- We apply a multi-disciplinary perspective, meshing economic fundamentals with regulatory and commercial realities.
- We own our company, so when we say we are dedicated to our clients, we mean it. Our reputation matters, and our commitment is to generating long-term value for our clients.



Our In-House Market Model

*Simulates the WESM to forecast prices and determine the appropriate economic new build.*

Examples of our Philippine Case Work



Market entry analysis into roof top solar markets  
Analysis of Feed In Tariffs for both wind and solar projects  
Tender design for Department of Energy's PV Mainstreaming project

Development of Natural Gas Masterplan  
Optimising investment strategy for LNG, from terminals to power plants  
Analysing the economics of CCGT

Supporting Renewables

Gas to Power

Undertaken feasibility studies for coal, gas, hydro, wind, geothermal and storage projects  
Advisor to Mindanao Power Supply Tender  
Optimising equity stake sales in power plants  
Valuing assets for privatisation

Feasibility Studies and Due Diligence

Advising Energy Regulatory Commission on Ancillary Services market design  
Minimising regulatory risk for commercial structures

Supporting Efficient Regulation

Opportunity and value assessments for hydropower plants  
Assessing the economics of pumped storage projects in Luzon  
Quantifying system benefits of battery installations in the WESM

Monetising Flexibility

Support clients' submissions to the Energy Regulatory Commission  
Analysis of regulatory decisions and client risk management  
Preparing Electricity Cooperatives for future market changes

Minimising Policy Risks

Strategy

In Depth Local Knowledge

Market entry preparation for equipment manufacturers  
Enhancing portfolio diversification through targeted hydro and geothermal acquisitions

Local networks among private and public sector  
Over twenty years of project experience  
Involvement in policy formation as well as commercial due diligence

Our Philippines QUAFU model is optimised to forecast generation supply and pricing through the country's Wholesale Electricity Spot Market (WESM) and in Mindanao. Our model is kept up to date with current generation capacities, and uses the latest capital costs and fuel pricing information.

The model enables us to perform sensitivities and scenario analysis on asset and contract values, to support critical transactions, strategy development, and regulatory and policy impact analysis.

## Selected Clients in the Philippines

Our clients include major stakeholders in the Philippine energy sector, both local and international.



Typical Clients include:

- Distribution companies
- Power generators
- Regulators
- International IPPs
- Governments
- Fuel & technology suppliers
- Large energy users
- Market operators

## The Lantau Group Network

We bring together high performing teams and deliver complex engagements. Our consultants combine expertise in strategy, finance, regulation, commerce and operations. We have refined our approach and methods through the delivery of hundreds of engagements across Asia. With over twenty committed professionals, we have Asia Pacific's largest team of experts focusing on electricity markets in the Philippines and across the region. We offer the capabilities of a larger professional services firm with the flexibility, innovativeness and expert knowledge of a boutique.

Networks of senior advisors and academic affiliates allow us to tap into up-to-date local intelligence and current scholarly research.

Whatever your question, we have the people and the contacts to bring an unparalleled understanding of the Philippines, and the wider region, to bear.

## Our Philippines Team



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Visit us at  
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