

**[DOE Department Circular No. DC2015-07-0014,
June 26, 2015]**

**PRESCRIBING THE POLICY FOR MAINTAINING THE SHARE OF
RENEWABLE ENERGY (RE) RESOURCES IN THE
COUNTRY'S INSTALLED CAPACITY THROUGH THE
WHOLISTIC IMPLEMENTATION OF THE PERTINENT PROVISIONS
OF REPUBLIC ACT NO. 9513 OR THE RE ACT ON FEED-IN TARIFF
(FIT) SYSTEM, PRIORITY AND MUST DISPATCH, AMONG OTHERS**

Adopted: 26 June 2015

Date Filed: 28 July 2015

WHEREAS, Republic Act No. 7638 or the "Department of Energy (DOE) Act of 1992" declares as a policy of State, among others, to ensure a continuous, adequate, and economic supply of energy through the integrated and intensive exploration, production, management and development of the country's indigenous energy resources;

WHEREAS, Republic Act No. 9136 or the "Electric Power industry Reform Act of 2001" or the EPIRA declares the policy of the State to:

- (a) Ensure the quality, reliability, security and affordability of the supply of electric power; and
- (b) Promote the utilization of indigenous and new and RE resources in power generation in order to reduce dependence on imported energy;

WHEREAS, pursuant to Section 37 of the EPIRA, the DOE is mandated to supervise the restructuring of the electric power industry as well as among other things, to:

- (a) Formulate policies for the planning and implementation of a comprehensive program for the efficient supply and economical use of energy consistent with the approved national economic plan and with the policies on environmental protection and conservation and maintenance of ecological balance, and provide a mechanism for the integration, rationalization, and coordination of the various energy programs of the Government;
- (b) Develop policies and procedures and, as appropriate, promote a system of energy development incentives to enable and encourage electric power industry participants to provide adequate capacity to meet demand including, among others, reserve requirements; and
- (c) Formulate such rules and regulations as may be necessary to implement and attain the objectives of the EPIRA.

WHEREAS, Republic Act No, 9513, or the "Renewable Energy Act of 2008" (RE Act)

declares the following as the policy of the State to:

- (a) Accelerate the exploration and development of RE resources to achieve energy self-reliance, through the adoption of sustainable energy development strategies to reduce the country's dependence on fossil fuels and thereby minimize the country's exposure to price fluctuations in the international markets, the effects of which spiral down to almost all sectors of the economy;
- (b) Increase the utilization of renewable energy by institutionalizing the development of national and local capabilities in the use of RE systems, and promoting its efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;
- (c) Encourage the development and utilization of RE resources as tools to effectively prevent or reduce harmful emissions and thereby balance the goals of economic growth and development with the protection of health and the environment; and
- (d) Establish the necessary infrastructure and mechanism to carry out the mandates specified in the Act and other existing laws.

WHEREAS, on 25 May 2009, the DOE issued DC2009-05-0008 entitled the "*Rules and Regulations Implementing Republic Act No. 9513 (RE IRR)*" which provided the general rules, regulations and guidelines for the development of RE resources in the country;

WHEREAS, the DOE issued DC2009-07-0011 entitled "*Guidelines Governing a Transparent and Competitive System for Awarding RE Service Contracts*" on 12 July 2009 in support of the awarding of RE service contracts;

WHEREAS, on 12 July 2010, pursuant to Section 7 of the RE Act and Section 5 of the RE IRR, the Energy Regulatory Commission (ERC) issued Resolution No. 16, Series of 2010 entitled "*Resolution Adopting the FIT Rules;*"

WHEREAS, on 14 June 2011, the DOE published the National RE Plan (NREP) providing for the target to increase the share of RE resources share in installed capacity from 5,438 MW in 2010 to 15,304 MW by 2030;

WHEREAS, on 30 June 2011, after public consultation and review of the recommendation of the National RE Board (NREB), the DOE endorsed to the ERC the installation targets for FIT-eligible RE resources as follows:

RE Resource	Installation Target (in MW)
Run-of-River Hydro	250
Biomass	250
Wind	200
Solar PV	50
Ocean	10

WHEREAS, the DOE through DC2011-07-0007 dated 05 July 2011 entitled