


NINETEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

'22 JUL 14 P 6 :26

SENATE
Senate Bill No. 658

RECEIVED BY: 

Introduced by: **Senator Raffy T. Tulfo**

**AN ACT ENHANCING THE PROMOTION AND ADOPTION OF SOLAR
TECHNOLOGY AND NET-METERING AMONG END-USERS, AMENDING FOR
THE PURPOSE REPUBLIC ACT NO. 9513, OTHERWISE KNOWN AS THE
"RENEWABLE ENERGY ACT OF 2008", AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Solar power generation has been around for a while. Solar technology is becoming more and more affordable each day such that the same can be utilized by ordinary households to augment their electricity needs. To optimize the solar energy generated by end-users, we have introduced a net-metering program as early as 2008.

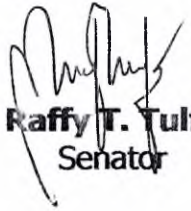
Net-metering allows end-users to participate in a distributed power generation thereby enabling them to contribute to the electricity grid while consuming electricity themselves. Under the net-metering program, excess power generated by end-users will be delivered to the local distribution grid of the electric distribution utility and will be used to offset the end-user's electricity consumption.¹ In effect, end-users are able to generate savings on their electricity bill and protect themselves against rising electricity prices.

Despite these, out of millions of households, we still only have 5,716 end-users participating in the net-metering program as of fiscal year 2021. The low participation rate can be attributed to two factors: (1) the 100 kW cap for end-users thereby precluding large electricity consumers from participating in the program; and (2) the cumbersome and unstandardized requirements and process for participating in the program.

¹ Net-metering Reference Guide. Department of Energy. Available at <https://www.doe.gov.ph/net-metering-home?withshield=1> (last accessed 14 July 2022).

This bill seeks to address these two hindrances in the mass utilization of solar technology and participation in the net-metering program.

In view of the foregoing, the urgent passing of this bill is earnestly sought.



Raffy T. Tulfo
Senator

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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1.** Section 4 of Republic Act No. 9513 is hereby amended to read as follows:

2
3 Section 4. *Definition of Terms.* As used in this Act, the following terms are
4 herein defined:

5
6 X X X
7

8 (j) Distributed generation refers to a system of small generation entities
9 supplying directly to the distribution grid, any one of which shall not exceed
10 [~~one hundred kilowatts (100 kW) in capacity~~] **THE MAXIMUM POWER**
11 **CAPACITY DETERMINED BY THE ENERGY REGULATORY**
12 **COMMISSION PURSUANT TO SECTION 10 OF THIS ACT, WHICH**
13 **SHALL NOT BE LESS THAN 100 KW.**

14
15 **SECTION 2.** Section 10 of Republic Act No. 9513 is hereby amended to read as
16 follows:

17
18 Section 10. *Net-metering for Renewable Energy.* Subject to technical
19 considerations and without discrimination and upon request by distribution
20 end-users, the distribution utilities shall enter into net-metering agreements
21 with qualified end-users who will be installing RE system.

22
23 The ERC, in consultation with the NREB and the electric power industry
24 participants, shall (a) establish net metering interconnection standards and
25 pricing methodology and other commercial arrangements necessary to

1 ensure success of the net-metering for renewable energy program within
2 one (1) year upon the effectivity of this Act, and **(b) DETERMINE, EVERY**
3 **TWO (2) YEARS, THE MAXIMUM POWER CAPACITY THAT CAN**
4 **QUALIFY FOR NET-METERING IN DISTRIBUTED GENERATION AS**
5 **DEFINED IN SECTION 4 (J) OF THIS ACT, CONSIDERING THE**
6 **FOLLOWING FACTORS:**

- 7
8 **i) STABILITY OF THE DISTRIBUTION GRID;**
9 **ii) RETAIL RATES OF CAPTIVE CUSTOMERS; AND**
10 **iii) OTHER POLICIES UNDER THIS ACT AND REPUBLIC ACT**
11 **NO. 9136, OTHERWISE KNOWN AS THE ELECTRIC POWER**
12 **INDUSTRY REFORM ACT OF 2001, SUCH AS RETAIL**
13 **COMPETITION AND OPEN ACCESS.**

14
15 **FOR PURPOSES OF ESTABLISHING A PRICING METHODOLOGY**
16 **FOR NET-METERING, THE ERC SHALL APPLY THE SAME**
17 **REFERENCE TO BOTH THE ELECTRICITY IMPORTED FROM AND**
18 **EXPORTED TO THE DISTRIBUTION GRID BY END-USERS.**

19
20 The distribution utility shall be entitled to any Renewable Energy Certificate
21 resulting from net-metering arrangement with the qualified end-user who
22 is using an RE resource to provide energy and the distribution utility shall
23 be able to use this RE certificate in compliance with its obligations under
24 RPS.

25
26 The DOE, ERC, TRANSCO or its successors-in-interest, DUs, PEMC and all
27 relevant parties are hereby mandated to provide the mechanisms for the
28 physical connection and commercial arrangements necessary to ensure the
29 success of the Net-metering for Renewable Energy program, consistent with
30 the Grid and Distribution Codes.

31
32 **SECTION 3. *Standardization of Permits and Application Requirements.*** The
33 Department of Energy shall standardize and streamline the process and requirements
34 for the installation of solar projects and application for net-metering. The said process
35 and requirements shall be uniform across all distribution utilities and local government
36 units, provided that all applications for net-metering shall be acted upon within thirty
37 (30) days from the complete submission of correct and valid requirements. A standard
38 net-metering agreement between the distribution utility and end-users shall be
39 included in the Implementing Rules and Regulations of this Act and shall be deemed
40 integrated in every application of end-users for net-metering.

41
42 **SECTION 4. *Implementing Rules and Regulations.*** The Department of Energy,
43 National Renewable Energy Board, Energy Regulatory Commission, and Department
44 of Interior and Local Government, in consultation with the concerned public and
45 private stakeholders, shall jointly formulate and promulgate the Implementing Rules
46 and Regulations of this Act within sixty (60) from its effectivity.

1 **SECTION 5. *Separability Clause.*** - If, for any reason, any provision of this Act is
2 declared to be unconstitutional or invalid, the other sections or provisions hereof which
3 are not affected thereby shall continue to be in full force or effect.

4
5 **SECTION 6. *Repealing Clause.*** - All laws; decrees, orders, rules and regulations or
6 parts thereof which are inconsistent with or contrary to the provisions of this Act are
7 hereby repealed, amended, or modified accordingly.

8
9 **SECTION 7. *Effectivity.*** - This Act shall take effect fifteen (15) days after its complete
10 publication in the Official Gazette or in a national newspaper of general circulation.

11
Approved,