

**Matrix of PEMC Comments on the draft RPS Rules (15 June 2016 Version)**

Section	Original Provision	Proposed Provision	Rationale
	WHEREAS, the DOE conducted public consultations and Technical Working Group meetings on the proposed rules governing the establishment of the RPS nationwide from 2011 to 2013;	Suggest to insert the following paragraph: (note- this was part of the last draft)  <b><u>Whereas, pursuant to Part II, Rule 2 of the IRR of the RE Law, the DOE in formulating and promulgating the RPS Rules, secured the recommendation of the NREB on the minimum incremental percentage of RE through NREB Resolution No. 3, Series of 2014.</u></b>	To establish that the RE Law provision on NREB's mandate in relation to the RPS was complied with.
<b>Section 5 (s). Definition of Terms</b>	"RPS" refers to a market-based policy that requires the Mandated Participant to source an agreed portion of their energy supply from eligible RE resources; xxx	Suggest to delete or harmonize the definition of RPS with that provided in Section 4, Rule 2, Part 2 of the RE Law-IRR.	For consistency. RPS is already described under the "whereas clauses."
<b>5 (d). Definition of terms</b>	"Distribution Utilities (DUs)" refers to any electrical cooperative, private corporation, government-owned utility or existing local government unit which has an exclusive franchise to operate a distribution system	Distribution Utilities (DUs)" refers to any electrical cooperative, private corporation, <b><u>distributors operating in the economic zones</u></b> , government-owned utility or existing local government unit which has an exclusive franchise to operate a distribution system	This definition will comprehensively cover distributors within economic zones that are also mandated participants.
<b>6. Implementation of the RPS Rules.</b>	Upon the effectivity of this Circular, the RPS Rules shall be implemented in Luzon, Visayas and Mindanao grids: Provided, That the DOE will issue separate rules for the operationalization of the RPS until the	Upon the effectivity of this Circular, the RPS Rules shall be implemented in Luzon, Visayas and Mindanao grids: <del>Provided, That the DOE will issue separate rules for the operationalization of the RPS until</del>	Comment: Why is there a need for separate treatment of Mindanao? Is it intended that the RPS requirement for Mindanao shall be

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	<p>operationalization of a Wholesale Electricity Spot Market (WESM) in Mindanao: Provided further, That public consultation with Mindanao stakeholders and electric power industry participants no later than one (1) year for the effectivity of this Circular will be required.</p> <p>For purposes of this Section, Luzon, Visayas and Mindanao shall be treated as separate and distinct grids: <i>Provided</i>, That the DOE may reclassify the grids.</p>	<p><del>the operationalization of a Wholesale Electricity Spot Market (WESM) in Mindanao: Provided further, That public consultation with Mindanao stakeholders and electric power industry participants no later than one (1) year for the effectivity of this Circular will be required.</del></p> <p>For purposes of this Section, Luzon, Visayas and Mindanao shall be treated as separate and distinct grids: <i>Provided</i>, That the DOE may reclassify the grids.</p>	<p>different such that there is a need for separate public consultation? Note that the RPS can be implemented in Mindanao even without the WESM provided that there is a REM for as long as the metering information is received by the RE Registrar to enable to generate the RECs</p> <p>What is the impact of treating Luzon and Visayas as separate and distinct grids in the RPS?</p> <p>Suggest to harmonize the identification of grids with Section 45, Chapter 4 of the EPIRA.</p>
<p><b>6. Implementation of RPS Rules</b></p>	<p>Upon the effectivity of this Circular, the RPS Rules shall be implemented in Luzon, Visayas and Mindanao grids: Provided, That the DOE will issue separate rules for the operationalization of the RPS until the operationalization of a Wholesale Electricity Spot Market (WESM) in Mindanao: Provided further, That public consultation with Mindanao stakeholders and electric power industry participants no later than one</p>	<p>Upon the effectivity of this Circular, the RPS Rules shall be implemented in Luzon, Visayas and Mindanao grids: Provided, That the DOE will issue separate rules for the <b>operationalization implementation</b> of the RPS until the operationalization of a Wholesale Electricity Spot Market (WESM) in Mindanao: Provided further, That public consultation with Mindanao stakeholders and electric power industry participants <u>shall be</u></p>	<p>Considering the implementation of RPS in Mindanao is hinged on the operationalization of the WESM, it is suggested that public consultation shall only be undertaken upon the commercial operations of WESM in Mindanao.</p>

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	<p>(1) year for the effectivity of this Circular will be required.</p> <p>Xxx</p>	<p>conducted within six (6) months from the operations of the WESM in <u>Mindanao</u>. <del>no later than one (1) year for the effectivity of this Circular will be required.</del></p> <p>xxx</p>	
<p><b>Section 7. Minimum Annual RPS Requirement</b></p>	<p>To maintain the RE share in the national energy mix to at least thirty five percent (35%) by 2030, the minimum annual target per grid shall be equal to the sum of the minimum target of all Mandated Participants in the grid.</p> <p>Xx</p> $RPS(n) = RPS(n-1) + AMI(n)$ $n = 1$ $= RPS_0 + AMI(n)$ $n = 1$ $= RPS_0 + K AMI(n-1)$ $n = 1$ <p>Where:</p> <p>RPS(n) = RPS for the Year</p> <p>RPS(n-1) = RPS for the Previous Year</p> <p>RPS<sub>0</sub> = RPS at Year 0 i.e. for the Previous Year before Implementation Year 1</p> <p>= Total Net Electricity Sales from all RE Sources at Y Year Zero</p> <p>AMI(n) = Annual Minimum Incremental Generation from Eligible RE Resources for the Year</p>	<p>Xx</p> <p>ES(n-1) = Net Electricity Sales in Previous Year, where Net Electricity Sales is equal to <del>Total Electricity Sales</del> <u>the total energy consumption of the Mandated Participants or the Net Generation supply of the Mandated Participants</u> Less System and Other Losses</p>	<p>Comment: What was the purpose for using net electricity sales in the computation of the baseline?</p> <p>There should be accuracy on the use of terms in determining the compliance levels of the Mandated entities. The term “Net Electricity Sales” is defined as Total Electricity Sales Less System and Other Losses. “Net Electricity Sales” is already the sum of the energy consumed by the end-users of the Mandated Entity (i. e. DU/ECs). Adding the term “Less System and Other Losses” is less accurate since “Net Electricity Sales” can be defined as Net Generation supply of the Mandated</p>

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	<p>= Mandated Minimum Annual Incremental RE%  x Net Electricity Sales in Previous Year  = K x ES(n-1)  K = Mandated Minimum Annual Incremental RE%  = Constant RPS% as Set by NREB  = %  ES(n-1) = Net Electricity Sales in Previous Year, where Net Electricity Sales is equal to Total Electricity Sales Less System and Other Losses</p> <p>Xx</p>		<p>Participants minus System and Other Losses.</p> <p>Net Generation supply is defined as Gross Generation minus Plant Station Use.</p>
<p><b>Section 8. Minimum Annual Incremental RE Percentage.</b></p>	<p>The minimum annual increment in the RPS level shall be initially set at 2.15 percent (2.15%) to be applied to the actual total supply portfolio of the Mandandated Participant in each grid for the previous year. This is to determine the current year's requirement for RECs of the Mandated Participant: <i>Provided</i>, That the minimum annual percentage may be adjusted by the NREB when:</p> <p>a. There are substantial changes in relevant to the market in the grid; or</p> <p>b. The set percentage is deemed insufficient to attain the target set by the DOE.</p>	<p>The minimum annual increment in the RPS level shall be initially set at 2.15 percent (2.15%) to be applied to the actual total supply portfolio of the <del>Mandandated</del> <b>Mandated</b> Participant in each grid for the previous year. This is to determine the current year's requirement for RECs of the Mandated Participant: <i>Provided</i>, That the minimum annual percentage may be adjusted by the NREB when:</p> <p>a. There are substantial changes in <del>relevant to</del> the market <del>in the grid</del>; or</p> <p>b. The set percentage is deemed insufficient to attain the target set by the DOE.</p>	<p>Comment:</p> <p>If this target is set then the following should be considered by the DOE:</p> <ol style="list-style-type: none"> <li>1. Can each grid accommodate the incremental target?</li> <li>2. If the targets are uniform for all, how will the policy provide an incentive for efficient placement of variable RE?</li> <li>3. If mandated participants can not comply then suspension of</li> </ol>

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			<p>compliance provided in Section 22 would kick in. What is its impact on the incentives for RE to come in?</p> <p>4. What are the substantial changes in the market that are being referred to?</p> <p>Moreover, how much of rooftop solar considered as a means for accomplishing the target?</p> <p>Clerical.</p> <p>For clarity.</p>
<p><b>Section 9. Eligible RE Technologies</b></p>	<p>xxx</p> <p>f. Impounding hydropower sources that meet internationally accepted standards;</p> <p>xxx</p> <p>h. Hybrid systems as defined in the RE Act;</p> <p>xxx</p>	<p>xxx</p> <p>f. Impounding hydropower sources that meet internationally accepted standards <b><u>where validation of the RE component of pumped storage hydro plants shall be covered by a separate circular to be issued by the DOE;</u></b></p> <p>xxx</p> <p>h. Hybrid systems as defined in the RE Act <b><u>where validation of the RE component shall be covered by a</u></b></p>	<p>In the case of pumped storage hydro plant, water that was drawn into the reservoir using coal-fired plants and other non-RE resources should not be eligible. Only water from natural inflow should qualify.</p> <p>There is no policy yet that covers the validation of the RE component that is critical for calculation of</p>

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		<p><b><u>separate circular to be issued by the DOE;</u></b></p> <p>xxx</p>	<p>RPS target and RPS compliance.</p> <p>Note that the RPS cannot be implemented if there is no policy on how the hybrid systems will be treated. This includes need for policy of pump storage and battery energy systems.</p>
<p><b>Section 10. Renewable Energy Facilities Eligible for RPS Compliance</b></p>	<p>xxx</p> <p>b. Embedded RE power generating facilities</p> <p>xxx</p>	<p>xxx</p> <p><b><del>b. Embedded RE power generating facilities</del></b></p> <p>xxx</p>	<p>Suggest to remove since it is already covered by letter (c) and they are already covered in the baseline RPS calculation.</p> <p>Why is there a need for a distinction between directly connected RE plants and embedded plants?</p> <p>Will DOE come up with a certified list of existing RE plants that are covered in the RPS baseline calculation?</p> <p>For RPS eligibility purpose, will the DOE come up with a list for information and reference of RPS mandated participants?</p>

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	<p>g. RE facilities installed in end-user's premises participating under the Net Metering program, as well as RE Self-Generating Facilities;</p> <p>xxx</p>	<p>g. RE facilities installed in end-user's premises participating under the Net Metering program, as well as RE Self-Generating Facilities;</p> <p>xxx</p>	<p>A policy must be in place on how to determine the RECs from net metering participants so the RPS can be implemented.</p>
<p><b>11. RPS Mandated Participant</b></p>	<p>xxx</p> <p>a. All licensed RES for the Contestable Market upon commencement of RCOA;</p> <p>b. All local RES upon commencement of RCOA;</p> <p>c. Any SOLR as may be identified upon commencement of RCOA;</p> <p>xxx</p> <p>e. Generating companies only to the extent of their actual supply to their DCCs;</p> <p>f. Entities duly authorized to operate as distributors within economic</p>	<p>xxx</p> <p>a. All <del>licensed</del> RES for the Contestable Market <del>upon commencement of RCOA;</del> <b>upon commencement of RCOA;</b></p> <p>b. All local RES <del>upon commencement of RCOA;</del> <b>upon commencement of RCOA;</b></p> <p>c. <del>Any All</del> SOLR as may be identified <del>upon commencement of RCOA;</del> <b>upon commencement of RCOA;</b></p> <p>xxx</p> <p>e. Generating companies only to the extent of their actual supply to their DCCs;</p> <p><del>f. Entities duly authorized to operate as distributors within economic zones</del> <b>f. Entities duly authorized to operate as distributors within economic zones</b></p>	<p>Suggest to remove the phrase "upon commencement of RCOA" since it has already commenced.</p> <p>All RESs are licensed.</p> <p>Suggest that the DCCs be mandated to comply with the RPS instead of the GenCos since they manage their supply portfolio and their whole consumption would be considered. If GenCos are listed, there will also be a cost impact (see impact of Section 8).</p> <p>Distributors within economic zones are</p>

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	zones		already included in the proposed definition of Distribution Utility.
<b>Section 13. Review of the RPS</b>	<b>Review of RPS.</b> This Circular and the targets set hereunder, as well as the baseline and other relevant requirements, shall be reviewed by the DOE in coordination with the NREB every two (2) years or as may be necessary, in consultation with the stakeholders.	<b>Review of RPS.</b> This Circular and the targets set hereunder, as well as the baseline and other relevant requirements, shall be reviewed by the DOE in coordination with the NREB <b><u>and in consultation with the stakeholders</u></b> every two (2) years or as may be necessary.	For clarity.
<b>Section 14. Compliance Mechanisms</b>	<p>The Mandated Participant shall use any one, a combination hereof, or all of the following in complying with this Circular:</p> <p>a. Allocation from the System Operator pursuant to the FIT Rules or the relevant rules issued by the ERC therefor. RE Generation allocated by the System Operator pursuant to the FIT Rules shall be used for compliance purposes and cannot be traded;</p> <p>b. Generation from Embedded RE power generating facilities, duly certified by the DOE and issued a Certificate of Compliance (COC) by the ERC;</p> <p>c. Generation from an eligible RE power generating facility with a Power Supply Agreement (PSA) duly approved by the ERC;</p>	<p>The Mandated Participant shall use <b><u>RECs issued for generation of eligible RE facilities provided in Section 10 for purposes of RPS compliance under any one, a combination hereof, or all of the following in complying with this Circular or such other mechanisms that may hereafter be determined by the DOE:</u></b></p> <p><del>a. Allocation from the System Operator pursuant to the FIT Rules or the relevant rules issued by the ERC therefor. RE Generation allocated by the System Operator pursuant to the FIT Rules shall be used for compliance purposes and cannot be traded;</del></p> <p><del>b. Generation from Embedded RE power generating facilities, duly certified by the DOE and issued a</del></p>	<p>All compliance mechanisms listed will result in RECs. For simplicity, it is suggested that the compliance mechanism be RECs since all generation from eligible RE resources will be certificated.</p> <p>The last clause is suggested for flexibility.</p>



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	<p>d. A REC acquired from the REM where the ownership and value per unit shall be defined by the DOE in a separate circular; and</p> <p>e. Any generation from Net Metering arrangements</p>	<p><b>Certificate of Compliance (COC) by the ERC;</b></p> <p><b><del>e. Generation from an eligible RE power generating facility with a Power Supply Agreement (PSA) duly approved by the ERC;</del></b></p> <p><b><del>d. A REC acquired from the REM where the ownership and value per unit shall be defined by the DOE in a separate circular; and</del></b></p> <p><b>e. Any generation from Net Metering arrangements</b></p>	
<p><b>Section 15. General Principles on the Establishment of the REM and the RE Registrar</b></p>	<p>The DOE shall establish the REM to facilitate the issuance, commercialization and verify compliance with the annual RPS requirement. As part of the REM, the PEMC, under the supervision of the DOE shall establish the RE Registrar and shall issue, keep and verify RECs corresponding to energy generated from eligible RE facilities. The following principles shall be considered in the establishment of the rules and guidelines governing the REM and the RE Registrar:</p> <p>xxx</p> <p>d. Excess RECs of the Mandated Participant that can be traded pursuant</p>	<p>The DOE shall establish the REM to facilitate the issuance, commercialization and verify compliance with the annual RPS requirement. As part of the REM, the PEMC, under the supervision of the DOE shall establish the RE Registrar and shall issue, keep and verify RECs corresponding to energy generated from eligible RE facilities. The following principles shall be considered in the establishment of the rules and guidelines governing the REM and the RE Registrar:</p> <p>xxx</p> <p>d. Excess RECs of the Mandated Participant that can be traded pursuant</p>	<p>Clerical error.</p>

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	<p>to Section 14 (b), Rule 4;</p> <p>xxx</p> <p>i. A transaction fee may be imposed by PEMC for transactions undertaken in the REM and RE Registrar subject to the setting of operational charges to be approved by the ERC: <i>Provided</i>, That a separate issuance will be issued to serve as guidelines for the same.</p>	<p>to Section 14 <u>(d) (b)</u>, Rule 4;</p> <p>xxx</p> <p>i. A transaction fee may be imposed by PEMC for transactions undertaken in the REM and RE Registrar <del>subject to the setting of operational charges to be approved by the ERC: <i>Provided</i>, That a separate issuance will be issued to serve as guidelines for the same</del> <u>pursuant to Section 8 of the RE Act.</u></p>	<p>The RE Act already provides for the level of the transaction fee. This issuance should be silent on the matter specifically the approving authority of the operational charges.</p>
<p><b>17. Responsibilities of the Composite Team</b></p>	<p>The Composite Team shall discharge the following functions under this Circular:</p> <p>a. Compute the minimum annual RPS requirement per Mandated Participant, in consultation with NREB as provided under Section 8, Rule 2:</p> <p>b. Submit a Compliance Report of</p>	<p>The <del>DOE Composite Team</del> shall discharge the following functions under this Circular:</p> <p>a. Compute the minimum annual RPS requirement per Mandated Participant, in consultation with NREB as provided under Section 8, Rule 2 <u>and publish the same not later than three (3) months prior to the start of the relevant compliance year:</u></p>	<p>There should be a provision for the deadline for determining the requirements per participant, as well as a timeline for making such information public.</p> <p>Since non-compliance with the RPS is an administrative offense, there should be an administrative procedure in place before fines can be imposed.</p> <p>For clarity. The Compliance Report shall</p>

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	<p>Mandated Participants for the RE Registrar as provided in Section 18, Rule 6 after its review and validation for submission to the DOE Secretary copy furnished the ERC and NREB;</p> <p>xxx</p>	<p>b. <del>Submit</del> Prepare a Compliance Report of Mandated Participants <del>for the RE Registrar as provided in Section 18, Rule 6</del> after its review and validation <u>of the status report prepared by the RE Registrar</u> for submission to the DOE Secretary copy furnished the ERC and NREB;</p> <p>Xxx</p> <p><u>For this purpose, it shall create a working group composed of representatives from the different bureaus or services of the DOE.</u></p>	<p>be prepared and submitted by the working group based on the status report prepared by the RE Registrar.</p> <p>Considering the functions of the suggested Composite Team, which are actually functions of the DOE, we suggest that this provision be phrased generally to state that the DOE shall create an interdepartmental working group to perform the functions via a Department Order.</p>
<b>Rule 6</b>	COMPLIANCE MONITORING	<u>REC STATUS REPORTING</u>	Propose change to the title to better reflect the type of report that the RE Registrar will be preparing.
<b>18. Monitoring of Compliance with the RPS</b>	The submission of the Compliance Report by the RE Registrar shall be within an appropriate period to be determined upon the establishment of the RE Registrar. The DOE shall certify the level of compliance of each Mandated Participant.	The submission of the <u>status Compliance</u> Report by the RE Registrar shall be within an appropriate period to be determined upon the establishment of the RE Registrar. The DOE shall certify the level of compliance of each Mandated	For clarity. RE Registrar shall only submit a status report and not compliance report since compliance is validated by the Composite Team for consideration of the DOE

Section	Original Provision	Proposed Provision	Rationale
		Participant.	Secretary.  This is harmonized with the provisions of Section 17 on the responsibilities of the Composite Team.  What is the purpose of the DOE certifying the level of compliance?
<b>19. Contents of Compliance Report</b>	Contents of the Compliance Report. The Compliance Report shall contain among others the following information:  a. Compliance level of each Mandated Participant;  b. Total volume of RECs generated;  c. Total shortfall/excess in RECs, if any; and  d. Other information that may be required by the DOE.	Contents of the <u>Status Compliance</u> Report. The <u>status Compliance</u> Report shall contain among others the following information:  a. <u>Compliance level of each Mandated Participant Total number of RECs in each Mandated Participant's RPS Compliance Account;</u>  b. <u>Total volume of RECs generated Total number of RECs owned by each Mandated Participant; and</u>  c. <u>Total shortfall/excess in RECs, if any; and</u>  cd. Other information that may be required by the DOE.	Harmonized with the concept of status report to be prepared by the RE Registrar.  Suggest changing the contents of the report to items that the RER monitors.
<b>Section 21. Transition Period.</b>	A Transition Period of one (1) year from the commencement of operations of the Renewable Energy Market is hereby provided to ensure an orderly,	A Transition Period of one (1) year from the commencement of operations of the Renewable Energy Market is hereby provided to ensure an orderly,	Will RECs be issued during the transition period?

Section	Original Provision	Proposed Provision	Rationale
	efficient and effective imposition of the RPS Rules. The period will allow the participants to prepare all information and data required in the establishment of the baseline to be determined by the DOE, prepare their respective compliance mechanisms as well as prepare the consumers for the impact of the RPS Rules. Upon the lapse of the Transition Period, mandatory compliance with the RPS shall commence.	efficient and effective imposition of the RPS Rules. The period will allow the participants to prepare all information and data required in the establishment of the baseline to be determined by the DOE, prepare their respective compliance mechanisms as well as prepare the consumers for the impact of the RPS Rules. Upon the lapse of the Transition Period, mandatory compliance with the RPS shall commence. <b><u>RECs will not be issued during the transition period.</u></b>	
<b>Section 24. Reportorial Requirements.</b>			Request for clarification. Will the DOE/RE Registrar utilize automated systems for the submission of data by Mandated Participants and monitoring of RPS compliances?

Clerical corrections:

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<b>Introduction</b>	WHEREAS, Republic Act No. (RA) 7638 or the "Department of Energy (DOE) Act of 1992" declares as a	WHEREAS, Republic Act No. (RA) 7638 or the "Department of Energy (DOE) Act of 1992" declares as a	Clerical correction.

Section	Original Provision	Proposed Provision	Rationale
	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;	policy of <b>the</b> 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, RA 9513 or the "Renewable Energy Act of 2008" (RE Act) provides that the it is the declared policy of the State to increase the utilization of renewable energy (RE) by institutionalizing the development of national and local capabilities in the use of RE systems, and promoting their efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;	WHEREAS, RA 9513 or the "Renewable Energy Act of 2008" (RE Act) provides that <b>the</b> it is the declared policy of the State to increase the utilization of renewable energy (RE) by institutionalizing the development of national and local capabilities in the use of RE systems, and promoting their efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;	Clerical correction.
	WHEREAS, Rule 2, Part II of the Implementing Rules and Regulations (IRR) of the RE Act provides that the RPS as a policy mechanism which places an obligation on electric power industry participants such as generators, distribution utilities, or suppliers to source or produce a specified fraction of their electricity from eligible RE Resources;	WHEREAS, Rule 2, Part II of the Implementing Rules and Regulations (IRR) of the RE Act provides that the RPS as <b>is</b> a policy <del>mechanism</del> which places an obligation on electric power industry participants such as generators, distribution utilities, or suppliers to source or produce a specified fraction of their electricity from eligible RE Resources <b><u>as may be determined by National Renewable Energy Board (NREB);</u></b>	Clerical correction.
	WHEREAS, on 26 June 2015, the DOE issued Department Circular No.	WHEREAS, on 26 June 2015, the DOE issued Department Circular No.	Clerical correction.

Section	Original Provision	Proposed Provision	Rationale
	DC201507-0014 or the “Guidelines for the Policy of Maintaining the Share of RE in the Country,” a policy adopting at least thirty percent (30%) share of RE in the country’s total power generation capacity through the holistic implementation of the Feed-in Tariff (FIT) System and other pertinent provisions under RE Act and its implementing rules and regulations;	DC201507-0014 or the “Guidelines for the Policy of Maintaining the Share of RE in the Country,” a policy adopting at least <u>a</u> thirty percent (30%) share of RE in the country’s total power generation capacity through the holistic implementation of the Feed-in Tariff (FIT) System and other pertinent provisions under RE Act and its implementing rules and regulations;	
	WHEREAS, in light of the robust developments in the exceeding installation targets for solar and wind for the period, the National RE Plan (NREP) is presently undergoing review and updating;	WHEREAS, in light <u>view</u> of the robust developments <u>with installations</u> <del>in</del> the exceeding installation targets for solar and wind for the period, the National RE Plan (NREP) is presently undergoing review and updating;	Clerical correction.
<b>Section 2.</b>	<b>Purpose of the RPS.</b> The RPS Rules is hereby adopted in order to contribute to the growth of the RE industry by diversifying energy supply, spur socio-economic development in rural areas, and help address environmental concerns of the country by reducing harmful emissions.	<b>Purpose of the RPS.</b> The RPS Rules is hereby adopted <del>in order</del> to contribute <del>to</del> <u>in</u> the growth of the RE industry by diversifying energy supply, spur socio-economic development in rural areas, and <del>help</del> address environmental concerns of the country by reducing harmful emissions.	Clerical correction.
<b>Section 5. Definition of Terms</b>	g. “Feed-in Tariff (FIT)” refers to a RE policy that offers guaranteed payments on a fixed rate per kilowatt hour for emerging RE sources, excluding generation for own use. The FIT rate itself is set and approved by the ERC;	g. “Feed-in Tariff (FIT)” refers to a <u>the</u> RE policy that offers guaranteed payments on a fixed rate per kilowatt hour for emerging RE sources, excluding generation for own use. The FIT rate itself is set and approved by the ERC;	Clerical correction.

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	p. "RE Market (REM)" refers to the market where the trading of the RE Certificates is traded;	p. "RE Market (REM)" refers to the market where the trading of the RE Certificates is traded;	Clerical correction.
	u. " <b>System Operator</b> " refers to the entity which operates and maintains the transmission network of the Philippine which is presently the National Grid Corporation of the Philippines (NGCP) which was granted a franchise by the Congress of the Philippines in accordance with the provisions of the concession agreement with the Government of the Philippines.	u. " <b>System Operator</b> " refers to the entity which operates and maintains the transmission network of the Philippines, which is presently the National Grid Corporation of the Philippines (NGCP) which was granted a franchise by the Congress of the Philippines in accordance with the provisions of the concession agreement with the Government of the Philippines.	Clerical correction.
	Further, this Circular hereby adopts by reference the definition of terms provided in the EPIRA and RE Act and their respective IRRs.	Further, this Circular hereby adopts by reference the definition of terms provided in the EPIRA and <b>the</b> RE Act and their respective IRRs.	Clerical correction.
<b>Section 8. Minimum Annual Incremental RE Percentage</b>	xxx a. There are substantial changes in relevant to the market in the grid; or xxx	xxx a. There are substantial changes in relevant to the market in the grid; or xxx	Clerical correction.
<b>Section 9. Eligible RE Technologies</b>	<b>Eligible RE Technologies.</b> For purposes of compliance with the RPS, the following RE resources shall be eligible: Xxx  j. Other RE technologies that may be later <b>be</b> identified by the DOE, through a separate issuance, upon the	<b>Eligible RE Technologies.</b> For purposes of compliance with the RPS, the following RE resources shall be eligible: Xxx  j. Other RE technologies that may be later <b>be</b> identified by the DOE, through a separate issuance, upon the	Clerical correction.



Section	Original Provision	Proposed Provision	Rationale
	recommendation of the NREB.	recommendation of the NREB.	
<b>Section 14. Compliance Mechanisms</b>	<p><b>Compliance Mechanisms.</b> The Mandated Participant shall use any one, a combination hereof, or all of the following in complying with this Circular:</p> <p>a. Allocation from the System Operator pursuant to the FIT Rules or the relevant rules issued by the ERC therefor. RE Generation allocated by the System Operator pursuant to the FIT Rules shall be used for compliance purposes and cannot be traded;</p>	<p><b>Compliance Mechanisms.</b> The Mandated Participant, <b><u>in complying with this Circular</u></b>, shall use any one, a combination hereof, or all of the following <del>in complying with this Circular</del>:</p> <p>a. Allocation from the System Operator pursuant to the FIT Rules or the relevant rules issued by the ERC <del>therefor</del>. RE Generation allocated by the System Operator pursuant to the FIT Rules shall be used for compliance purposes and cannot be traded;</p>	Clerical correction.
<b>Section 15. General Principles on the Establishment of the REM and the RE Registrar.</b>	<p>xxx</p> <p>c. All Mandated Participants shall have registered with the RE Registrar their individual RPS Compliance Accounts;</p> <p>d. Excess RECs of the Mandated Participant can be traded pursuant to Section 14 (b), Rule 4;</p> <p>xxx</p>	<p>xxx</p> <p>c. All Mandated Participants <del>shall have</del> <b><u>should</u></b> registered with the RE Registrar their individual RPS Compliance Accounts;</p> <p>d. Excess RECs of the Mandated Participant can be traded pursuant to Section 14 (b), Rule 4 <b><u>of _____</u></b>;</p> <p>xxx</p>	<p>Clerical correction.</p> <p>Missing reference document. If reference is within same document, note that Section 14 (b), Rule 4 does not describe trading of excess RECs. Also excess RECs may arise from any mode of compliance under Section 14.</p>