

1 DEPARTMENT CIRCULAR NO. DC2024-_____

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4 AMENDMENT TO DEPARTMENT CIRCULAR NO. DC2023-10-0029
5 TITLED, PROVIDING SPECIFIC AUCTION POLICY AND GUIDELINES FOR NON-
6 FIT-ELIGIBLE RENEWABLE ENERGY TECHNOLOGIES IN THE GREEN ENERGY
7 AUCTION PROGRAM
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10 **WHEREAS**, the Department of Energy (DOE) issued the revised Guidelines for the Green
11 Energy Auction Program (GEAP) through Department Circular (DC) No. DC2021-11-
12 0036, otherwise known as the “GEAP Guidelines,” on 03 November 2021;

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14 **WHEREAS**, through the GEAP, the DOE instituted a competitive process in the selection
15 of eligible renewable energy (RE) facilities entitled to the Feed-In Tariff Allowance (FIT-
16 All) Fund;

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18 **WHEREAS**, under Section 5.1 of DC2023-10-0029 captioned, “Providing Specific
19 Auction Policy and Guidelines for Non-FIT-Eligible Renewable Energy Technologies in
20 the Green Energy Auction Program” (Non-FIT-Eligible RE Technologies in the GEAP),
21 the Energy Regulatory Commission (ERC) shall issue the approved parameters and
22 criteria per type of Non-FIT-Eligible RE Facility to be used in evaluating Price Offers
23 submitted by Bidders;

24
25 **WHEREAS**, Section 6 of the above DC provides that the Winning Bidders for each
26 Auction Round of the Green Energy Auction (GEA) for Non-FIT-Eligible RE technology
27 shall be those whose Price Offers were endorsed by the DOE to, and approved by, the
28 ERC after evaluation based on the approved set of parameters and criteria;

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30 **WHEREAS**, there is a need to clarify that, from the set of parameters and criteria, the
31 ERC shall promulgate rules on GEA for Non-FIT-Eligible RE technology auction pricing
32 methodology;

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34 **NOW, THEREFORE**, pursuant to its authority under Republic Act No. 9513, or the
35 Renewable Energy Act of 2008, the DOE hereby adopts, issues and promulgates the
36 following amendment to the Non-FIT-Eligible RE Technologies in the GEAP.

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38 **Section 1.** Section 5.1, 2nd paragraph of the Non-FIT-Eligible RE Technologies in the
39 GEAP is hereby amended to read as follows:

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41 “5.1 Pre-Auction Process and Price Offer.

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43 xxx xxx xxx xxx

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45 “Within sixty (60) calendar days, the ERC shall promulgate rules on the Price
46 Determination Methodology (PDM) taking into consideration the set of

47 parameters and criteria based on among others cost range assumptions and
48 Weighted Cost of Capital of Project Internal Rate of Return (PIRR). These
49 shall to be used in its evaluation of Price Offers submitted by Bidders.”
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51 **Section 2.** Section 5.2, 2nd paragraph, is hereby deleted.
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53 **Section 3.** Section 5.4, 2nd paragraph, is hereby amended to read as follows:
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55 “Section 5.4. Evaluation of Offers.
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57 xxx xxx xxx xxx
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59 “After evaluation, the DOE shall endorse the respective Price Offers of legally
60 and technically compliant bids to the ERC. The ERC shall, within sixty (60)
61 days upon receipt of the DOE endorsement, evaluate the Price Offers of the
62 Bidders endorsed by the DOE based on its approved PDM for Non-FIT-
63 eligible RE Technologies.”
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65 **Section 4.** Section 6 is hereby amended to read as follows:
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67 “**Section 6. Price Offer.** The Winning Bidders for each Auction Round for
68 Non-FIT-Eligible RE technology shall be those whose Price Offers were
69 endorsed by the DOE to ERC. The ERC shall evaluate Price Offers based
70 on the PDM described under Section 1 hereof, which may include
71 adjustments as may be determined by ERC.”
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73 **Section 5. Separability Clause.** If any provision of this Circular is declared invalid or
74 unconstitutional, the other provisions not affected thereby shall remain valid and
75 subsisting.
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77 **Section 6. Repealing Clause.** All previous issuances, rules and regulations inconsistent
78 with this Circular are hereby repealed, amended or modified accordingly.
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80 **Section 7. Effectivity.** This Circular shall take effect fifteen (15) days after publication in
81 at least two (2) newspapers of general circulation. Copies of this Circular shall be filed
82 with the University of the Philippines Law Center-Office of the National Administrative
83 Register.
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87 **RAPHAEL P.M. LOTILLA**
88 *Secretary*
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91 Issued on _____, at Energy Center, Rizal Drive,
92 Bonifacio Global City, Taguig City.