



Republic of the Philippines

DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. _____

PRESCRIBING THE GUIDELINES OF THE PHILIPPINE ENERGY LABELING PROGRAM (PELP) FOR COMPLIANCE OF IMPORTERS, MANUFACTURERS, DISTRIBUTORS AND DEALERS OF ELECTRICAL APPLIANCES AND OTHER ENERGY-CONSUMING PRODUCTS

WHEREAS, Section 2 of Republic Act No. 7638 or the “Department of Energy (DOE) Act of 1992” states that it is the policy of the State to ensure a continuous, adequate, reliable, and economic supply of energy through, among others, judicious conservation, renewal, and efficient utilization of energy, to keep pace with the country’s growth and economic development;

WHEREAS, Republic Act No. 11285 otherwise known as “An Act Institutionalizing Energy Efficiency and Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to Energy Efficiency and Conservation Projects” or the EEC Act, declares the policy direction of the government in terms of energy efficiency, conservation, sufficiency and sustainability in the country;

WHEREAS, the enactment of the EEC Act repealed and superseded Department Circular No. DC2016-04-0005 entitled “Declaring the Compliance of Importers, Manufacturers, Distributors and Dealers of Electrical Appliances and Other Energy Consuming Products with the Philippine Energy Standards and Labelling Program as a Policy of the Government”;

WHEREAS, pursuant to the EEC Act, the DOE, in consultation with concerned government agencies and entities, local government units, commercial, industrial, and transport sectors and other relevant stakeholders, issued, adopted and promulgated Department Circular No. DC2019-11-0014 or the Energy Efficiency and Conservation Act – Implementing Rules and Regulations (EEC-IRR);

WHEREAS, Section 5 of EEC Act provides that the DOE shall be the lead agency in the implementation of this Act with the responsibility for the planning, formulation, development, implementation, enforcement, and monitoring of energy management policies and other related energy efficiency and conservation plans and programs;

WHEREAS, Rule XII. Energy Efficiency Rating and Labeling Requirements of DC No. 2019-11-0014, mandates the following:

- Section 58. Energy Efficiency Rating and Labeling System
- Section 59. Energy Efficiency Rating and Labeling for Products and Equipment.
- Section 60. Energy Labeling for Transport Vehicles
- Section 61. Examination, Testing and Verification

WHEREAS, Rule XVII of EEC-IRR enumerated the prohibited acts and enforcement methods, administrative and criminal liabilities;

WHEREAS, conservation and efficient utilization of energy are among the major strategies of the Government to realize energy self-sufficiency and reduce environmental impacts of energy generation and utilization as instituted in the Philippine Energy Plan (PEP) and the National Energy Efficiency and Conservation Program (NEECP); and

WHEREAS, the mandatory implementation of the PELP will lead to, among others, the empowerment of consumers in choosing energy efficient products at the point of sale, realization of energy savings and reduction of energy consumption / bills through the use of energy efficient products, elimination of energy inefficient products in the market and reduction of greenhouse gas emissions.

NOW, THEREFORE, in consideration of all the foregoing, the DOE hereby institutionalize the PELP and issues, adopts and promulgates the following:

Section 1. Title. This Department Circular shall be known as the “PELP Guidelines.”

Section 2. Scope and Application. This Department Circular shall apply to all importers, manufacturers, distributors, dealers and retailers of all energy-consuming products, equipment and transport vehicles.

Section 3. Definition of Terms. For the purpose of the PELP Guidelines, its Annexes and the PELP Implementing Guidelines, the following terms and definitions shall apply:

- a. AFETD refers to the Alternative Fuels and Energy Technology Division which be responsible in the formulation, development and updating of the Minimum Energy Performance (MEP), Code of Practice on Energy Labeling of Products (COPE), fuel efficiency testing guidelines, fuel economy performance and other related policies in support of the NEECP
- b. Customers refer to manufacturers / brand owners / importers applying for compliance with PELP requirements
- c. Code of Practice on Energy Labeling of Products (COPE) refers to the particular product requirement (PPR) which is an integral part of the guidelines for the Philippine Energy Labeling Program to be issued by DOE
- d. DOE Monitoring Team refers to a core group of personnel from the DOE and / or its authorized representatives to assist the agency in the conduct of monitoring activities as specified in the Implementing Guidelines
- e. DOE-Recognized Testing Laboratory refers to a testing laboratory that may or may not be ISO 17025 - accredited but has undergone the recognition process for competency by the DOE and may conduct product testing under the scope of the Implementing Guidelines
- f. Energy Consuming Products (ECP) refer to products that utilize any form of energy (i.e. electricity, petroleum products, renewable energy, etc.) for specific use

- g. Energy Label refers to the prescribed tag/ sticker/ marker in this Department Circular that bears the DOE logo and essential energy performance ratings (i.e. efficiency, energy consumption, etc.) compliant to the PPR
- h. Enforcement refers to an activity or operation where DOE detects violations or possible violations for the purpose of seeing to it that these comply with the provisions of this Department Circular
- i. EPMPD refers to the Energy Efficiency and Conservation Program Management and Technology Promotion Division which shall be responsible for the promotion and the Information and Education Campaign (IEC) activities related to the PELP
- j. EPRED refers to the Energy Efficiency and Conservation Performance Regulation and Enforcement Division which shall be responsible for the development of guidelines on on-site inspections, conduct of monitoring, verification and enforcement activities, processing of application of customers such as Company Registration, Product Registration, Energy Label Issuance in compliance with PELP
- k. EPSMD refers to the Energy Efficiency and Conservation Public Sector Management Division which shall be responsible for the promotion and IEC activities for the public sector
- l. EUMB refers to the Energy Utilization Management Bureau which shall be responsible for the formulation, promulgation, enforcement, review and evaluation of the PELP policy and for implementing monitoring activities to ensure the industry player's compliance to the program
- m. Field Offices refers to the DOE Luzon, Visayas and Mindanao Field Offices which shall be responsible for market monitoring and enforcement to ensure industry players' compliance to the PELP in coordination with the local government units and submit compliance report to EUMB
- n. Generic Models refer to a range of models similar to the base model where all have the same major physical characteristics, construction, system design, and other performance characteristics
- o. Importer refers to an entity engaged in bringing various products into the Philippines from another country or economy
- p. Institutionally-manufactured or sold products refer to products locally manufactured or imported and directly sold by the supplier to the end-user and where the products are put into service
- q. ITMS refers to Information Technology Management Services which shall provide support to EPRED in maintaining the NEECD and the online PELP services
- r. LATD-ERTLS refers to the Lighting and Appliance Testing Division of the Energy Research Technology Services which may assist in assessing the recognition of testing laboratories and may also be tapped to assist in the testing services for ECPs covered by PELP

- s. GLSD-LS refers to the General Legal Services Division of the Legal Services which shall be responsible for the adjudication for violations of prohibited acts under the Act, the EEC-IRR, this Department Circular, Implementing Guidelines and any related issuances for non-compliant products, equipment and transport vehicles, in cooperation with EUMB and LATD
- t. Manufacturer refers to an entity engaged in the manufacture of air conditioners, refrigerators, lighting systems and other energy-consuming products
- u. Minimum Energy Performance for Products (MEPP) refers to the minimum energy performance for products set by the DOE for specific ECPs
- v. Monitoring refers to an activity where DOE keeps track, watches, observes or checks on the products of private entities for the purpose of seeing to it that these comply with the provisions of this Department Circular
- w. NEECD refers to the National Energy Efficiency and Conservation Database
- x. Particular Product Requirements (PPR) refers to component of the PELP Implementing Guidelines that provides the detailed technical requirements of specific household appliances and other energy-consuming devices it covers and particularly requiring the attachment of appropriate energy label
- y. Retailer refers to an entity engaged in the sale of various ECPs
- z. Safety Test refers to a procedure to establish that the product satisfies the electrical, mechanical and thermal safety requirements as well as marking requirements
- aa. Validation of Energy Labels refers to the process of verifying the correctness of the energy ratings and other information on the prototype energy label
- bb. Verification refers to the process of establishing, through inspections or tests, the veracity and accuracy of claims on energy efficiency

Section 4. Covered Energy Consuming Products. Under this Department Circular, the PELP will initially cover the following ECPs - room air conditioners (RACs), refrigeration units, television sets and lighting products: *Provided, That* additional ECPs shall be included within the coverage of the PELP upon the recommendation of the EUMB: *Provided further, That* such recommendation shall be made after public consultation and coordination with DENR and DOTR for fuel economy performance labeling requirements for transport.

Section 5. Responsibilities of Customers. Customers shall have, but not limited to, the following responsibilities:

- 5.1 Ensure that their products, for which an application of energy label has been approved, comply with the requirements of the PELP and its Guidelines.

- 5.2 Submit required reportorial documents, as may be specified in the Implementing Guidelines, must be made available for evaluation upon request by the EPRED.
- 5.3 Pay all costs attendant to the application for verification testing (drawing / transport of samples and other related fees).
- 5.4 Include the energy label inside the package of the product (for example, Air-conditioners and Refrigerators) or have the labels printed on the package (for example, lighting products). For products on sale, attachment of labels on the visible side of products themselves must be done on the point of sale.
- 5.5 Cooperate fully with the DOE Monitoring Team during the conduct of monitoring, inspection and verification activities.

Section 6. Responsibilities of Retailers. Retailers shall have, but not limited to, the following responsibilities:

- 6.1 Ensure that the ECPs covered by the PELP and are for sale in stores have the energy labels attached to them on the location prescribed in this Department Circular and are visible to the buyers. As applicable, they shall also exhibit the energy labels in all their publications including the advertisement in newspapers, TVs or leaflets and in all online trading activities. At the minimum, the energy efficiency class of the product, as applicable, needs to be mentioned.
- 6.2 Cooperate fully with the DOE Monitoring Team during the conduct of monitoring, inspection and verification activities.

Section 7. Prohibited Acts. Pursuant to the Act and the EEC-IRR, any person or entity found in violation of any of the following shall be subject to the appropriate criminal, civil and / or administrative sanctions as follows:

- 7.1 Failure to comply with energy labels;
- 7.2 Failure to register covered ECPs;
- 7.3 Removing, defacing or altering any energy label on the ECPs before the product is sold to the first retail purchaser or leased to the first lessee;
- 7.4 Failing to provide accurate information or the provision of false or misleading information as required;
- 7.5 Selling, leasing or importing ECPs that do not comply with MEPP;
- 7.6 Willfully refusing to submit to an on-site inspection;
- 7.7 Failing or willfully refusing to submit any of the reports required therein;
- 7.8 Failing to comply with issued orders of the DOE in the discharge of its enforcement powers; and

7.9 Violating any provisions of the Act, the EEC-IRR, codes and guidelines.

Section 8. Implementing Guidelines. The DOE, through EUMB, shall issue the PELP Implementing Guidelines on a per electrical appliance and ECP basis, which will include, among others, administrative, application procedures, general, technical and PPR as well as the procedure for the monitoring, verification and enforcement of the PELP: *Provided, That* PELP Implementing Guidelines shall only be issued after public consultation: *Provided further, That* the effectivity and timelines of any issued PELP Implementing Guidelines will be mutually agreed upon by the DOE and the industry stakeholders.

PELP Implementing Guidelines shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of the PELP Guidelines shall also be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Section 9. Technical Working Groups (TWGs). To facilitate the development of PPRs, TWGs shall be created as interim bodies of technical personnel. TWGs shall be convened as necessary to discuss technical matters that pertain to PPRs and issues on Special Cases such as:

9.1 New technology not yet covered in the current PELP

9.2 Expansion and updates on the PELP

The membership and composition of the TWG is determined according to specific technical issues such as products, test methods, technical requirements, MEPP, coverage, etc.

AFETD shall be the convener of the TWG for the development and formulation of the PPRs, development of technical requirements, conformity assessment procedures and recognition of testing laboratories.

Consistent with Section 4 of this Department Circular, the output of the TWG regarding the expansion of the covered ECPs shall be endorsed to EUMB for approval of the Secretary.

The output of the TWG regarding the amendment of the Implementing Guidelines and PPRs shall be endorsed to EUMB for approval.

Section 10. Code of Practice on Energy Labeling of Products. Pursuant to Section 15 of the EEC Act, the Code of Practice on Energy Labeling of Products (COPE) providing for the calculation method for the energy efficiency rating shall accompany each PELP Implementing Guidelines issued pursuant to Section 8 of this Department Circular.

Section 11. Compliance Requirements. For the effective implementation, importers, manufacturers, distributors and dealers of PELP-covered ECPs shall ensure that energy labels, prescribed by the DOE, are displayed accordingly and shall provide information that shall assist consumers to make informed decisions on such products. They shall also submit annually to DOE, reckoning on the date of approval of the energy labels, the

report on inventory of sales, the technical files of compliant models and other records as may be deemed necessary for estimating the energy savings related to the implementation of these requirements.

Section 12. Monitoring. The DOE, through the EUMB, shall conduct monitoring activities in relation to PELP adhering to the following general principles:

12.1 The DOE monitoring team shall be composed of personnel from EPRED and other DOE-authorized representatives.

12.2 Monitoring of compliance by manufacturers, importers, and retailers with the PELP requirements in the various regions of the country shall be conducted at least once a year.

12.3 Criteria for Compliance shall be as follows:

12.3.1 Every unit of product covered in PELP shall have appropriate energy labels with the correct information.

12.3.2 Said products shall bear labels with correct control number issued by DOE-EPRED for the specific models. The checking of compliance for each product shall be in accordance with their respective PPRs.

Section 13. Verification. The DOE, through the EUMB, shall conduct verification activities in relation to PELP adhering to the following general principles:

13.1 Sampling Methodology and Procedure

In order to verify compliance with the claimed efficiency rating or burning hours, etc. random samples of product per brand shall be drawn by the monitoring team at least once a year following a simple random sampling procedure. The number of samples to be taken shall be in accordance with the quantity stated in the PPR issued for said product.

During verification activities, samples may be drawn from the retail stores or from warehouses. In the case of warehouses, lot numbers for specific products shall be chosen and identified. Samples coming from said lot numbers shall be drawn by EPRED from their respective storage locations (warehouses) and have it tested by LATD or a recognized testing laboratory which is independent from the Customer.

13.2 Arrangement for Replacing Samples Taken from Retail Stores

The manufacturer or importer, from whom the item originated, shall replace items drawn by the EPRED team from retail stores through an "Authority to Draw Samples". After samples are drawn from an establishment, EPRED shall inform the manufacturer or importer to replace the items taken by the monitoring team for verification testing.

13.3 Test methods and procedures for each ECP shall be in accordance with its corresponding PPR.

13.4 Payment for transport and testing shall be in accordance with Annex A: Schedule of Fees and Charges.

13.4.1 The cost for transport of samples shall be borne by the brand owner and/or applicant.

13.4.2 The brand owner shall bear the cost for market sample testing.

13.4.3 In case a lighting product fails the first test, a retest of a sample taken from another location is allowed. Testing fee for the retest shall be paid also by the brand owner.

13.4.4 There shall be no retesting of market samples.

13.5 Brand owner shall retrieve the samples after the conduct of testing by LATD or DOE-recognized testing laboratories

13.5.1 If test results show non-compliance with the requirements of the applicable standard, tested samples shall be kept by the laboratory for ready reference in case the test result is contested. This is applicable to products that are not subjected to destructive testing.

13.5.2 The brand owner shall be notified of the retrieval of samples from the testing laboratory which should be done within fifteen days from receipt of notice.

13.6 Test reports

Test reports on energy testing generated by DOE, or its recognized testing laboratories shall contain the minimum information in order for DOE to adequately evaluate compliance of the product with the requirements of its PPR.

Section 14. Penalties. Upon the determination that any person or entity has committed any of the prohibited acts in Section 8 of this Department Circular, the DOE may consider the following measures prior to the imposition of fines and penalties and also the appropriate administrative procedures, administrative liabilities and the criminal liabilities thereof:

14.1 Require an explanation supported by reports, returns and other documents to rebut the alleged commission of the prohibited act;

14.2 In cases where an explanation has been issued but the DOE finds a violation because of materially insufficient reports, false returns, non-submission of required documents, provide a recommendation to the said person or entity;

14.3 Disclose the name of the person or entity after it has received a recommendation and comply with such recommendation; and

14.4 Issue an order in cases where the said person or entity fails to follow or comply with the recommendation of the DOE. The failure on the part of the person or entity to comply with the order shall be a valid ground for the

imposition of the administrative fines and penalties in accordance with Annex B. Schedule of Penalties and Fines.

Section 15. Publication. The DOE shall maintain a biannually updated list of compliant products. Non-compliant products shall be published in the DOE website within 72 hours and biannual in newspapers of wide-circulation, including the name of the Customer or Retailer and/or brand name and model, to whom the violation applies to and who failed to remedy the citation received from the DOE.

An annual report on the status of the PELP implementation shall be published which shall include, among others, compliance rate by manufacturers, importers and retailers with energy labelling requirements as well as improvement in the energy efficiency of products sold to consumers in the Philippines.

Section 16. Information, Education and Communication Activities. Pursuant to Section 85 of the EEC-IRR, the DOE shall develop and undertake a national awareness and advocacy program covering energy efficiency and conservation and pursue partnerships with relevant stakeholders for the appreciation of this Department Circular.

Section 17. Repealing Clause. The provisions of other circulars, orders, issuances, rules and regulations, which are inconsistent with the provisions of this Department Circular are hereby repealed, amended, modified or superseded accordingly.

Section 18. Separability Clause. If for any reason, any section or provision of this Department Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 19. Effectivity. This Department Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of this Department Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued at Energy Center, Bonifacio Global City, Taguig City.

ALFONSO G. CUSI
Secretary