



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

DEPARTMENT ORDER NO. DO 2018-03-0004 H

**DECENTRALIZATION OF THE DEPARTMENT OF ENERGY BY IMPLEMENTING
INSTITUTIONAL STRENGTHENING AND ALLOWING FULL DEVOLUTION OF
GENERAL AND SPECIFIC FUNCTIONS TO ITS FIELD OFFICES**

WHEREAS, under Section 8 of Republic Act No. 7638 known as the "Department of Energy Act of 1992", the Secretary shall have the following functions:

- (a) Establish policies and standards for the effective, efficient and economical operation of the Department in accordance with the programs of the Government;
- (b) Exercise direct supervision and control over all functions and activities of the Department, as well as its officers and personnel; x x x;
- (c) Create regional offices and such other service units and divisions as may be necessary;

WHEREAS, pursuant to Section 1 of Administrative Order (A.O.) No. 38, Series of 2002, or known as "Providing for the Institutional Strengthening of the Department of Energy by Redefining the Functions and Services of its Bureaus, Service Units and Offices", the Secretary of Energy is authorized to implement the institutional strengthening of the Department of Energy's bureaus, units and other offices, upon prior concurrence of the Department of Budget and Management (DBM), and guided by the declared policy under Section 2, Chapter 1, Book IV of the Administrative Code of 1987, the bureaus and offices shall be grouped primarily on the basis of major functions to achieve simplicity, economy and efficiency in government operations and minimize duplication and overlapping of activities;

WHEREAS, 2nd paragraph of Section 3(d) of A.O. No. 38, Series of 2002, provides that "the operatives of these field offices shall be immediate representatives of the Department of Energy in said field offices for the implementation of its policies, plans, programs, and regulations therein";

WHEREAS, under Section 6 of A.O. No. 38, the Secretary of Energy shall promulgate the necessary implementing guidelines, rules and regulations to ensure the orderly implementation of A.O. 38;

WHEREAS, the National Anti-Poverty Commission *En Banc* Action/Decision with File No. 160-013017-34 informs that "the President directed all Heads of Agencies to ensure that government field offices have sufficient personnel during office hours to provide timely and responsive services to the public";

WHEREAS, for the effective and efficient performance of the powers and functions of the Department, there is a need to devolve its functions to the field offices, to optimize its operation and in order to synchronize and to eliminate redundant functions;

WHEREAS, the DOE has three (3) field offices, the Luzon Field Office (LFO), Visayas Field Office (VFO), and the Mindanao Field Office (MFO) which are the immediate representatives of the DOE in said respective field offices, for the swift implementation of its policies, plans, programs, and regulations thereon;

WHEREAS, the various Bureaus/Services of the DOE have identified the functions to be fully devolved to the three (3) FOs, in the exigencies of public service towards a more prompt, efficient and effective performance of functions:

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE FOREGOING PREMISES, the DOE promulgates the following guidelines:

Section 1. Authority. The Undersecretary and/or Assistant Secretary in-charge of the Field Offices (FOs) shall oversee the efficiency and effectivity of the performance of the general and specific functions mentioned in the succeeding sections.

Section 2. General Functions. The following general functions of the Bureaus/Services shall be exercised by the DOE field offices within their respective jurisdiction without being subject to Sec. 6 hereof.

- 2.1 Conduct regional-based monitoring activities which includes project monitoring and evaluation, survey, profiling, site visits/inspections, and spot checks, among others;
- 2.2 Issue orders and directives involving relevant activities (i.e. approval of T.O.) of the FOs pursuant to their mandate, and appropriate orders and/or decisions in cases of violations of energy laws, rules and regulations, and related issuances;
- 2.3 Undertake data gathering procedures/techniques to ensure that the Department is provided with adequate, reliable and truthful information;
- 2.4 Conduct Information, Education and Communication (IEC) Campaign and diligently address the local/consumers' concerns;
- 2.5 Represent the Department in the activities of Multipartite Monitoring Team/s organized and established for energy projects;

- 2.6 Represent the Department in international and local events and other similar activities relating to their core mandate.
- 2.7 Other additional tasks and functions as may be delegated by the Secretary that are deemed necessary to carry out the purpose of this Order.

Section 3. Specific Functions. Subject to Section 6 hereof, the DOE FOs shall exercise within their jurisdiction the following specific functions of the Bureaus/Services.

3.1 Energy Resource Development Bureau (ERDB):

- 3.1.1 Accept, evaluate and act on applications of Small Scale Coal Mining Permits (SSCMPs), mine safety inspector and mine safety engineer permits, and cancel or terminate such permits on legal and valid grounds;
- 3.1.2 Inspect, evaluate and monitor SSCMP operations;
- 3.1.3 Investigate and validate illegal coal mining activities;
- 3.1.4 Accept, evaluate and act on applications for the issuance of coal trader's permit and coal end-user's registration and monitor their reportorial compliance pursuant to existing DOE circulars;
- 3.1.5 Investigate and validate illegal coal trading activities and proper implementation of DC 2012-05-0006, also known as "Guidelines on the Accredited Coal Traders and Registration of Coal End-Users";
- 3.1.6 Investigate coal mine accidents and issue appropriate orders and measures to prevent recurrence; and
- 3.1.7 Monitor and inspect their Coal Operating Contracts (COC) holders on matters of safety and performance of contractual obligations. In case imminent danger exists or for any other safety reason as determined by the field office inspector, the said inspector have the authority to suspend the operations of the COC holder subject to existing rules and regulations.

3.2 Energy Utilization Management Bureau (EUMB):

- 3.2.1 Operate Auto-LPG Inter-Agency Technical Working Group at the regional level;

- 3.2.2 Conduct technology evaluation for proponents/inventors emanating within their geographical jurisdiction;
 - 3.2.3 Gather data and monitor of Entities' Electricity Consumption Energy Equipment;
 - 3.2.4 Monitor, verify, and evaluate Philippine Energy Standards and Labeling Program (PESLP);
 - 3.2.5 Facilitate project implementation (i.e. preliminary assessment, evaluation, etc.) and other related activities on alternative fuels and emerging technologies;
 - 3.2.6 Conduct profiling (i.e. data gathering, evaluation, implementation, and monitoring) and consultation of alternative fuels and emerging technologies and energy efficiency and conservation;
 - 3.2.7 Conduct energy audit to commercial and industrial establishments including those that are client requested; and
 - 3.2.8 Conduct energy conservation spot check to national government agencies in compliance with the Government Energy Management Program (GEMP).
- 3.3 Electric Power Industry Management Bureau (EPIMB):
- 3.3.1 Conduct monitoring, including plant/site visit of new/under construction/on expansion power plants, power generation and transmission and regularly submit status report;
 - 3.3.2 In case of emergency situation (forced outage, calamity, fire and sudden breakdown, and other similar situations etc.), conduct monitoring, including plant/site visit, of power plants, power generation and transmission, and distribution facilities, and submit a status report thereon;
 - 3.3.3 Conduct performance audit or audit of the actual capacity of power generation (i.e of Generation Companies (GenCos) power plant), transmission and distribution facilities/entities, and the designated Performance Audit Technical Working Groups;
 - 3.3.4 Follow up submission of GenCos and Distribution Utilities (DUs) of their required documents, including, but not limited to, Power Development Plan, Distribution Development Plan, Monthly Operational Reports and Incident Reports;

- 3.3.5 Conduct orientation/briefing and attend meetings related to Energy Regulations (ER) No. 1-94 as per request of stakeholders;
 - 3.3.6 Implement and monitor national projects, such as Nationwide Intensification of Household Electrification (NIHE), Photo Voltaic Mainstreaming, Access to Sustainable Energy Program (ASEP), and other similar programs;
 - 3.3.7 Receive, process and endorse Energy Regulations (ER) 1-94 projects to the Office of the Secretary;
 - 3.3.8 Conduct pre and post validation of applications for NIHE, ER 1-94, ASEP and other similar electrification programs;
 - 3.3.9 Conduct technical project monitoring, validation and audit of NIHE, ER 1-94, ASEP and other similar electrification programs;
 - 3.3.10 Join and/or conduct site validation & assessment, implement and monitor potential and existing Qualified Third Party (QTP) areas; and
 - 3.3.11 Conduct inspection & verification of installed Solar Home System (SHS) for PVM, and identification of target Households for PVM.
- 3.4 Oil Industry Management Bureau (OIMB):
- 3.4.1 Process, evaluate, approve and issue Certificate of Compliance (COC) for liquid petroleum products retail outlets, Standard Compliance Certificate (SCC) for LPG importers, marketers, refillers, haulers, bulk operators, dealers, retailers, Auto-LPG retail dispensing stations and Certificate of Non-Coverage (CNC) for auto LPG and LPP garage retail outlets, and conduct compliance monitoring;
 - 3.4.2 Acknowledge applications and subsequently issue Notice of Registration, certificates, and other similar documents to participants in the downstream oil industry business;
 - 3.4.3 Process, evaluate and approve registration of LPP and LPG hauling vehicles;
 - 3.4.4 Conduct ocular/on-the-spot inspection/investigation/validation of all petroleum products outlets or all persons engaged in the sale of petroleum products, such as gasoline stations,

- LPG outlets, bulk depots, LPG refilling plants and other downstream oil industry facilities;
- 3.4.5 Conduct of calibration testing and product sampling/testing to monitor compliance to establish standards in quantity and quality of petroleum products distributed in the market; and
 - 3.4.6 Business registration and processing of Notice to Import/Export Fuels (including coal importation) and lubricants and other petroleum products - Prior Loading Requirement (PLR).
- 3.5 Energy Policy and Planning Bureau (EPPB):
- 3.5.1 Prepare Local Energy Plans;
 - 3.5.2 Update and/or improve Energy Profile; and
 - 3.5.3 Represent in the Regional Development Council and Regional Statistical Authority.
- 3.6 Renewable Energy Management Bureau (REMB):
- 3.6.1 Conduct renewable energy (RE) resource assessment in potential areas and implement projects including special projects such as Household Electrification Project (HEP) for RE database;
 - 3.6.2 Conduct pre and post validation of the application, which includes but not limited to verification of household beneficiaries and concerned local government unit (LGU) if applicable, of HEP and other similar programs;
 - 3.6.3 Monitor activities of existing, operational, & pre-development renewable energy power plants/projects;
 - 3.6.4 Monitor the operations of RE service contractors and RE projects;
 - 3.6.5 Conduct accident investigation and submit status report thereof;
 - 3.6.6 Disseminate information of existing HEP to all LGUs;
 - 3.6.7 Represent the Department as witness to denaturing activity in compliance with the Biofuels Law; and
 - 3.6.8 Represent the Department in the Geothermal Airshed Board;

- 3.7 Information Technology Management Service (ITMS):
 - 3.7.1 Establish a central data management in support to the overall Knowledge Management Program;
 - 3.7.2 Build Grid Impact Study (GIS) Database through GPS surveys, etc.;
 - 3.7.3 Provide updated content to the overall GIS system, and maintain and coordinate establishment of mini and electronic (kiosk) library;
 - 3.7.4 Maintain and coordinate geodetic requirements;
 - 3.7.5 Align, coordinate and maintain plans relative to the geodetic and GIS activities;
 - 3.7.6 Develop FO information systems strategic Plan;
 - 3.7.7 Maintain and coordinate IT related requirements;
 - 3.7.8 Facilitate regular updating of the microsite content;
 - 3.7.9 Update the field office process flow and other information systems requirements; and
 - 3.7.10 Establish and maintain the DOE Information Center (hotline 8888) and/or the field office one-stop shop.
- 3.8 Legal Service (LS):
 - 3.8.1 Provide services and support on legal issues that would arise in the exercise of the general and specific functions devolved to FOs.
- 3.9 Administrative Service (AS):
 - 3.9.1 Administer leaves and its computation, issue Certifications requested by an FO Personnel and maintain Service Records;
 - 3.9.2 Perform recruitment functions such as but not limited to screening and testing of applicants; background investigation; test administration, scoring and interpretation; evaluation and referral preparation;

- 3.9.3 Maintain a records center and a warehouse of all pertinent documents of the Department;
- 3.9.4 Manage records appraisal and their disposal, as well as property inventory and its disposal;
- 3.9.5 Perform preventive and breakdown maintenance of the Department's vehicles;
- 3.9.6 Handle Supplies Warehousing and Issuance, Inspection and Acceptance, Inventory of Supplies and Property (includes HEP, NIHE, etc.) Sub-Committee on Disposal; and
- 3.9.7 Monitor, supervise and process payments of manpower services which includes janitorial, security, photocopying, and utilities such as mineral water and fuel (Petron Fleet Card).

Section 4. Exceptions. The following Services shall retain their primary functions and responsibilities under existing laws, rules and regulations:

- 4.1 Financial Service (FS); and
- 4.2 Energy Research Testing and Laboratory Services (ERTLS).

However, the FOs shall coordinate on matters and issues arising within the mandate of these Services and shall provide assistance if necessary.

Section 5. Reportorial Requirements. The FOs shall submit quarterly reports and as often as required by the respective Bureau/Service on the devolved functions under this Order.

Section 6. Transitory Provisions.

- 6.1 Capacity Building – The FOs shall undergo a series of capacity building in order to be more equipped and knowledgeable on the functions devolved to them. Thus, within two (2) years from the signing of this Order, the FOs shall perform the devolved function in close coordination with the concerned Bureaus/Services for familiarization, proper transition and effective execution of the said functions.
- 6.2 Primary Responsibility – Within the same two (2) year period, primary responsibility for the proper execution of the devolved specific functions remains on the Bureau/Service concerned.
- 6.3 Decentralization – After the lapse of the two (2) year period from the approval of the D.O., the FOs shall have full responsibility for the proper execution and performance over the devolved specific functions.

Decentralization of the Department of Energy by Implementing Institutional Strengthening and Allowing Full Devolution of General and Specific Functions to its Field Offices

6.4 Prior capacitation – The Director of the Bureau/Service concerned may at his or her discretion, issue a memorandum certifying that the FOs are ready for an earlier full devolution.

Section 7. Additional Manpower. Subject to approval by the DBM of the proposed institutional strengthening, the Department shall start the hiring process to further implement this D.O. and its policies provided that it is not contrary to existing laws, rules and regulations.

Section 8. Other Functions and Responsibilities. The FOs may also identify specific functions and responsibilities of bureaus and services which are not identified and devolved under this Order and shall request a certification from such bureaus and services to allow the devolution of the said functions and responsibilities in favor of the FOs.

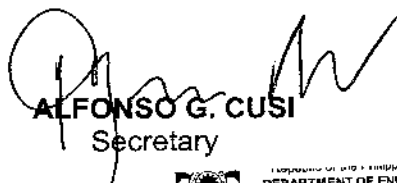
Section 9. Separability Clause. If for any reason, any section or provision of this Order is declared unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 10. Repealing Clause. Any previous orders or similar issuances that are contrary to or inconsistent with this Order are hereby repealed, amended or modified accordingly.

Section 11. Effectivity. This Department Order shall take effect immediately and shall remain in effect until revoked by the undersigned or by competent authority.

A copy of this Order shall be filed and registered immediately with the University of the Philippines Law Center – Office of the National Administrative Register (UPLC-ONAR).

Issued this ___th day of February 2018 at Energy Center, Rizal Drive, Fort Bonifacio Global, Taguig City, Philippines.


ALFONSO G. CUSI
Secretary



MAR 15 2018