



DEPARTMENT OF ENERGY

FY 2022 Agency Performance Review

The Department of Energy (DOE), by virtue of RA 7638, is the country's policy-making body that ensures sufficient and reliable energy and power supply for the country.

With the change in Administration during the second half of 2022, the DOE will continue with its commitment of ensuring energy security for the country and contribute to the overall goal of providing Filipinos with a strongly rooted, comfortable and secured life (or *matatag, maginhawa at panatag na buhay*) embodied under *AmBisyon Natin 2040*.

DOE's PROGRAMS/ACTIVITIES/PROJECTS (P/A/P)

Based on the DOE's mandate, two (2) organizational outcome statements have been identified, as follows:

1. Required energy supply level attained; and
2. Sustainable consumption of energy promoted and achieved.

There are five (5) programs that fall under the first outcome statement, namely (1) National and Regional Energy Planning Program; (2) Conventional Energy Development Program; (3) Renewable Energy Program; (4) Downstream Energy Development Program; and, (5) Electric Power Industry Program.

The second organizational outcome statement, on the other hand, is supported by the Energy Efficiency and Conservation Program and the Alternative Fuels and Technologies Program.

These programs are being implemented by the DOE to ensure that the expected deliverables and outcome indicators are met in a timely and efficient manner.

2022 PHYSICAL TARGETS

Following are the DOE's physical targets per program for FY 2022:

- I. National and Regional Energy Planning Program
 - o 1 energy plan prepared and updated
 - o 60 statistical research and studies prepared/updated
 - o 75% of project evaluation and monitoring conducted on time
 - o 20 applications for Certification of Energy Project of National Significance (EPNS) processed/evaluated

II. Conventional Energy Development Program

- 15 information, education, and communication (IEC) campaigns and other promotional activities conducted
- 7 contracts and/or circulars drafted, prepared and reviewed
- 298 monitoring/inspection activities conducted

III. Renewable Energy Program

- 84% of issuances and permits issued on time
- 82 IECs and other promotional activities conducted
- 332 inspections conducted

IV. Downstream Energy Development Program

- 7 IECs and other promotional activities conducted
- 693 field work activities with corresponding reports submitted and operational monitoring activities conducted
- 4,022 issuances/permits/ standards drafted and issued
- 5 plans and policies updated/formulated/monitored and recommended for adoption and implementation

V. Electric Power Industry Development Program

- 39 IECs, promotional events and public consultations conducted
- 4 plans prepared, updated and disseminated
- 8 policies prepared, recommended and/or adopted
- 128 applications for COE for investment in the energy sector processed

VI. Energy Efficiency and Conservation Program

- 33 promotional events undertaken on energy efficiency and conservation program
- 76 energy audits in government agencies conducted on time

VII. Alternative Fuels and Technologies Program

- 7 IECs/promotional activities conducted
- 8 technical assistance/ evaluation completed on time
- 4 policies formulated or permits issued on time

2022 PHYSICAL ACCOMPLISHMENTS

Following are the DOE's major accomplishments for the first half of 2022:

I. NATIONAL AND REGIONAL ENERGY PLANNING PROGRAM

Nuclear Energy Program

On February 28, 2022, President Duterte signed Executive Order No. 164 titled "*Adopting a National Position for a Nuclear Energy Program (NEP)*" on 28 February 2022. In developing the Program, the DOE, together with the Inter-Agency Committee will be guided by four (4) cornerstone approaches: (1) Establishment of a clear national policy which would withstand administration changes; (2) Enactment of NEP into law to ensure strict adherence to all relevant standards; (3) Ensure alignment of NEP with international standards under the guidance of the International Atomic Energy Agency (IAEA); and, (4) Strong public consultation and information campaigns to promote scientific findings on the benefits of nuclear energy use.

On 10 March 2022, the Philippines signed a Memorandum of Understanding with United States of America concerning a Strategic Civil Nuclear Cooperation to improve the cooperation on energy security and strengthen our diplomatic and economic relationship between the two (2) countries.

International Cooperation

DOE has participated in various regional energy cooperation fora in 2022 such as: a) Association of Southeast Asian Nations (ASEAN); b) Asia Pacific Economic Cooperation (APEC); c) East Asia Summit (EAS); d) Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), among others, including engagements in bilateral energy cooperation.

Major Highlights of the regional energy cooperation activities include the continuation of the following:

- Implementation of the ASEAN Economic Community (AEC) Blueprint 2025 and the fulfillment of the Implementation Plan of the ASEAN Comprehensive Recovery Framework (ACRF) as cross-sectoral cooperation within the ASEAN region;
- Second year implementation of the ASEAN Plan of Action on Energy Cooperation (APAEC) Phase II: 2021-2025, as well as implementation of the 2022 Energy Annual Priorities (AP) under the 2022 ASEAN Ministers on Energy Meeting-Senior Officials Meeting on Energy (AMEM-SOME) Chairmanship of Cambodia;
- Implementation of relevant plans and programs for the attainment of the regional strategic goals of reducing energy intensity by 32% in 2025 (over 2005 levels) and the aspirational target for increasing the component of renewable energy to 23% by 2025

- (over 2005 levels) in the ASEAN energy mix, which includes increasing the share of renewable energy in the installed power capacity by 35% in 2025;
- Voluntary work in the attainment of increasing the goal to a 45% reduction of regional aggregate energy intensity by 2035 in the APEC region and the new aspirational goal to double the share of RE in the APEC's overall energy mix by 2030 (over 2010 levels);
 - Philippine Chairmanship of the ASEAN Nuclear Energy Cooperation Sub-Sector Network (NEC-SSN);
 - Philippine Co-Chairmanship of the APEC Energy Resiliency Task Force (ERTF) with the United States (US);
 - Implementation of the Power and Energy Infrastructure Cluster (PEIC) Rolling Pipeline of Projects (RPoP) 2020-2022 and BIMP-EAGA Mid-term Review and Assessment from 2017-2021 under the BIMP-EAGA Vision 2025 (BEV2025);
 - Discussion on the different energy transition policies of the ASEAN Member States and efforts towards decarbonization; and
 - Co-spearhead the Indo-Pacific Economic Framework for Enhancing Prosperity (IPEF) Pillar 3: Infrastructure, Clean Energy and Decarbonization Negotiations with the Department of Finance (DOF).

The DOE likewise renewed the country's support and commitment to attaining social and climate justice during the 27th Conference of the Parties to the United Nations Climate Change (COP27) held on 04-19 November 2022 in Sharm el-Sheikh, Egypt. The Philippines likewise reaffirmed and advocated the loss and damage principle alongside other Heads of State and Government.

Task Force on Energy Resiliency (TFER)

Pursuant to Department Circular No. DC2018-01-001, the Energy Resiliency Policy (ERP) was issued to strengthen practices and response mechanisms towards disaster risk reduction. It promotes the mainstreaming of disaster risk reduction programs in planning and investment to ensure the continuous delivery and strengthening of the existing energy infrastructure.

To further strengthen the ERP, DC2022-06-0028 was issued on 24 June 2022 to advance disaster risk reduction, enhance the conduct of Resiliency Compliance Plan (RCP) assessment and contingency planning, upgrade disaster response protocols and coordination measures, and strengthen the organizational structure of the Task Force on Energy Resiliency, among others.

Aside from the RCP, the main highlight of this policy is the creation of the Task Force on Energy Resiliency or TFER. The TFER is composed of the DOE, its attached agencies, and relevant industry stakeholders, the Task Force is at the forefront of ensuring the effective implementation of the ERP, as well as in harmonizing preparedness, response, and restoration activities during calamities. In 2022, TFER monitored two (2) earthquakes and five (5) typhoons that entered the country: Super Typhoon Odette, Tropical Storm Agaton (April), Severe Tropical Storm Florita (August), Super Typhoon Karding (September) and Severe

Tropical Storm Paeng (September), as well as the Magnitude 7.0 earthquake (July) and the Magnitude 6.4 earthquake in Abra (October).

As a proactive move in preparation for the potential impact of a magnitude 7.2 earthquake from the West Valley Fault or “The Big One”, the DOE, together with concerned agencies launched the National Energy Contingency Plan or NECP last 14 December 2022.

The NECP was formulated by the DOE in partnership with the Philippine Disaster Resilience Foundation (PDRF), Program Management Office for the Earthquake Resiliency of the Greater Metro Manila Area (PMO-ERG) under the Office of the President, Office of the Civil Defense (OCD), and the Philippine Institute of Volcanology and Seismology (PHIVOLCS).

Furthermore, the DOE in partnership with the U.S. Agency for International Development - Energy Secure Philippines (USAID-ESP) conducted the 1st Energy Resiliency Forum in July 2022 in line with the celebration of the National Disaster Resilience Month.

With the theme: “*Mainstreaming Disaster Risk Reduction and Management (DRRM) in the Energy Sector*”, the observance of the forum aimed to gather best practices, innovative solutions, trends, challenges, and strategies on energy resiliency for the realization of an energy resilient energy sector to mitigate loss and damages thereby reducing the country’s power cost.

II. CONVENTIONAL ENERGY DEVELOPMENT PROGRAM

The DOE ensured the stable and continuous production of the country’s indigenous oil, gas, and coal resources. At present, there are 17 petroleum service contracts and 28 coal operating contracts being supervised and monitored by the Department. These resources contributed significant revenues of PhP 29 billion from petroleum as of November 2022 and PhP 15.9 billion from coal as of October 2022.

In April 2022, DOE awarded SC No. 77 to SK Liguasan Oil and Gas Corporation covering a 72,000-hectare petroleum-prospective area located in the onshore Cotabato Basin. The awarded area covers portions of Sultan Kudarat and South Cotabato provinces that are outside the BARMM's territorial jurisdiction. The exploration henceforth was allowed by DOE to proceed, as SC 77 is not covered by the Bangsamoro Organic Law provision for co-management between the national and BARMM governments.

Three (3) coal operating contracts were likewise awarded in 2022, as follows:

- COC No. 205 (EFH Energy Tribe Corp.): 9 coal blocks in Asturias, Carmen, Compostela and Danao City, Cebu
- COC No. 206 (Sunwest Oil & Gas, Inc.): 9 coal blocks in Rapu-Rapu, Albay
- COC No. 207 (Grand Thermal Power Corp.): 7 coal blocks in Bislig City, Surigao del Sur and Trento, Agusan del Sur

Moreover, Notice of Award was issued to Vintage-21 Coal Mining Corporation which is composed of four (4) coal blocks in Lingig, Surigao del Sur and Boston, Davao Oriental.

In terms of production, 512 thousand barrels of oil, 103 billion standard cubic feet (BCF) of gas and 2.49 million barrels of associated condensate were accounted for petroleum from January to November 2022 while 16 million metric tons of coal were produced in 2022.

Indonesia's Coal Export Ban

At the beginning of 2022, the Indonesian government has announced banning of its coal exports until 31 January 2022 to avoid risks of domestic shortage for the power sector and potential blackouts. Indonesia is the world's third-largest producer of coal and lignite and the largest coal exporter with sales of 412 million metric tons in 2020.

Immediately after the announcement, the DOE convened a meeting with all the coal generation companies to discuss the possible mitigating measures that can be implemented to ensure continuous delivery of electricity services. A special inter-agency meeting was likewise conducted on January 17 with DTI, DFA, NEDA and MARINA together with the Philippines's Trade Attaché in Indonesia.

DOE has communicated with the Indonesia's Minister of Energy and Mineral Resources appealing for the exemption of the Philippines from the coal export ban in the spirit of ASEAN Energy Cooperation. This move by DOE was also conveyed to our colleagues at the DFA which led to the Secretary sending a letter to his counterpart Minister of Foreign Affairs in Indonesia.

Further coordination was done with MARINA on the issuance of a Special Permit for SMC Global Power Holdings Corp. for the charter of international-plying bulk cargo vessels to be used for hauling and delivery of coal cargoes from Semirara Mining and Power Corporation (SMPC) in Antique (Caluya) to the coal power plants in Bataan, Zambales, Pangasinan and Davao Occidental. In response, MARINA has officially advised SMC on the necessary supporting documents for the grant of the permit.

III. RENEWABLE ENERGY PROGRAM

The government's higher prioritization on the promotion and adoption of cost-competitive sustainable renewable energy technologies have induced investments for renewable energy development. As of 30 September 2022, a total of 1,016 RE projects with an aggregate potential capacity of 64,817.45 MW and an installed capacity of 5,471.04 MW are registered under the RE Act of 2008.

From January to September 2022, a total of 67 RE Contracts were awarded a potential capacity of 14,941.99 MW. This is equivalent to 23 percent of the total potential capacity registered under the RE Act being monitored by the DOE.

Policy Issuances

The DOE is continuously innovating policies and strategies, both mandatory and voluntary, to realize the aspirational target of 35 percent RE share in the country's energy mix by 2030 and 50 percent by 2040.

- The Green Energy Auction Program (GEAP) sets the framework for the facilitation of immediate and timely investment for new and additional RE capacities to ensure provision of adequate supply under a competitive process. As a result of the 1st Round of the GEAP in June 2022, the DOE issued 18 Certificates of Award with an aggregate capacity of 1,866.93 MW, which is expected to deliver energy for the period 2023 to 2025 at a competitive price.
- The DOE likewise issued a certification on 08 June 2022 increasing the Feed-in Tariff (FIT) installation target for run-of-river hydropower from 250 MW to 350 MW which will end until its full subscription. With the issuance of the certification, additional capacity from hydropower is projected to become available in the near term. As of 30 November 2022, hydropower has a remaining FIT balance of 198.887 MW capacity.
- The DOE issued DC2022-06-0019 on 10 June 2022 declaring the interim commercial operations of the Renewable Energy Market (REM). The REM shall serve as the venue for buying and selling RE certificates, representing property rights over renewable electricity generated by market participants. As of 30 September 2022, the RE Registrar issued the January to May 2018 RE certificates for the FIT and Non-FIT Compliance Mechanisms, after the participants' thorough validation of their respective input data to the Philippine Renewable Energy Market System (PREMS).
- On 22 April 2022, the DOE published the "Guidebook on Net Metering in the Philippines" which provides the guidelines, standards, and procedures for all net-metering arrangements from offer to after-sales services by the installers and practitioners. As of 31 October 2022, a total of 7,365 qualified end-users covering 65 DUs were registered under the Net Metering Program with a total rated capacity of 61,261.93 kWp.
- On 17 February 2022, the DOE issued DC2022-02-0002 entitled, "Prescribing the Policies and Programs to Promote and Enhance the Development of Biomass Waste-to-Energy (WTE) Facilities". As of 30 November 2022, a total of 13 Operating Contracts were issued with a WTE potential capacity of 41,559 MW. Out of these, six (6) are operational and seven (7) are under ongoing development.
- The amendment to Section 19 of the Implementing Rules and Regulations (IRR) of the RE Act now allows 100 percent foreign ownership of RE projects and is expected to encourage the flow of investments in RE development.

Under the DOE's initiatives on the development of offshore wind, a study by the World Bank Group shows that the Philippines has huge potential to install offshore wind power with the right long-term vision, infrastructure development, investment, and policies. Currently, there

are 42 offshore wind service contracts awarded with installed capacity of 31.5 GW. The prime areas identified are in Ilocos in Northern Luzon, Verde Island Passage and Northern and Southern Mindoro. As such the Philippine Offshore Wind Roadmap was published by the DOE in 2022.

IV. DOWNSTREAM ENERGY DEVELOPMENT PROGRAM

The LPG Industry Regulation Act of 2021 (RA 11592) aims to establish the regulatory framework for the safe operations of the LPG industry, delineating the powers and functions of various government agencies, defining, and penalizing certain prohibited acts.

The new LPG law applies to the following industry activities:

- Importing, refining, storing, exporting, refilling, transportation, distribution, and marketing of LPG;
- Importation, manufacture, requalification, repair, exchange, swapping improvement, and scrapping of LPG pressure vessels, whichever is applicable; and
- Safe operations of the entire LPG industry including all LPG facilities and the residential, commercial, industrial, and automotive use of LPG.

In response to provisions of the IRR of the LPG Act, the following guidelines were issued:

(1) Department Circular No. DC2022-11-0037: “Guidelines on the Registration and Issuance of License to Operate to Qualified DOE-Regulated LPG Industry Participants and Penalizing Certain Prohibited Acts”

- Aims to strengthen DOE’s authority to issue and register licenses for DOE-regulated LPG industry participants and reinstate DOE’s authority and police power to suspend operations and to recommend to local government units the revocation of licenses of violators and erring players in the LPG industry.
- Provides the procedures and requirements for securing the License to Operate which is a requirement to all LPG industry participants pursuant to Section 24 of RA 11592.

(2) Joint Department Circular No. JDC2022-11-0002: “LPG Cylinder Exchange, Swapping, and Improvement Programs and Its Implementing Guidelines”

- Aims to provide a system that will allow end-consumers to exercise their freedom of choice in the purchase of LPG-filled cylinders through LPG Cylinder Exchange and Swapping Program, to provide rules and regulations that will govern the cylinder exchange and swapping, and improvement program and to ensure and monitor that only safe cylinders will circulate among the consuming public.
- The guidelines likewise explained the Mandatory Requirements for the Establishment of Swapping Center. It also covers the Establishment of the National Program Policy Task Force (NPPTF) and Regional Program Implementation Task Force (RPITF).

(3) Rules of Procedure for Administrative Cases in the Downstream Oil Industry

- Addresses the legal requirement on how administrative cases will be handled, decided and corresponding administrative fines imposed by the DOE.

Philippine National Standard (PNS) Specification of Downstream Oil

In support of the policy review under the roadmap of biofuels and biofuels blend, the DOE as Chair of the Technical Committee on Petroleum Products and Additives (TCPPA), is currently preparing the PNS for the E15 and E20 in consultation with the oil companies, car industry and the Biofuel industry. Said quality specifications are intended to support the National Biofuels Board in its ongoing consideration of increasing and moving forward the current E10 mandate.

Similarly, the TCPPA completed the PNS for B3, B4 and B5 which shall similarly support the review by the National Biofuels Board of the current B2 mandate to a higher biodiesel blend for the automotive diesel market, as follows:

- PNS/DOE QS 015:2021 Petroleum Products – CME Blended Automotive Diesel Oil (ADOB3) – Specification
- PNS/DOE QS 017:2021 Petroleum Products – CME Blended Automotive Diesel Oil (ADOB4) – Specification
- PNS/DOE QS 010:2015 Petroleum Products – CME Blended Automotive Diesel Oil (ADOB5) – Specification

Angkas and DOE's Retail Pump Prices and Quality Service Dashboard 2022

With the success of its collaboration with Angkas on real-time pump price monitoring in gasoline stations in the National Capital Region (NCR) in 2021, the DOE renewed its partnership with Angkas in monitoring retail pump prices which will run from 07 June 2022 to 16 November 2022. This collaborative effort has been expanded to include Metro Cebu wherein authorized Angkas riders will be able to report fuel prices and assess the services and facilities of liquid fuels retail outlets (LFROs)/gasoline stations. Said reports will be posted via Retail Pump Prices and Quality Service Dashboard 2022 on the DOE website. The program aims to inform consumers which LFROs offer better fuel prices and services. A total of over 700 LFROs were monitored by Angkas riders in the NCR and Metro Cebu.

Downstream Natural Gas Industry

The DOE continues to advocate the passage of the Philippine Downstream Natural Gas Act which shall provide a framework for the development of the Philippine Downstream Natural Gas Industry (PDNGI) in the country. It will ensure the country's energy security by diversifying the primary sources of energy and promoting the role of natural gas as a transition fuel to cleaner environment. This will also consolidate and enhance the various issuances and policies governing the transmission, distribution, and supply of natural gas. Further, it will

promote the development of the Philippines as an LNG trading and transshipment hub within the Asia Pacific region.

Development of LNG Industry as Transition Fuel

The progressive move of developing Liquefied Natural Gas (LNG) import terminals in the country is in response to the forthcoming depletion of the Malampaya gas field. This is seen to ensure supply security and continuity to the existing natural gas plants situated in South Luzon.

Correspondingly, the DOE issued six (6) permits to develop the proposed LNG import terminal projects to allow the country to import natural gas in a form of LNG. Among the six (6), three (3) proponents, namely Linseed Feed Corporation/PHLNG, FGen LNG Corporation, and Energy World Gas Operations Philippines Incorporated are issued the Permit to Construct LNG import terminals targeted for commercial operation in 2023 to be located in Batangas and Quezon.

Moreover, the DOE has also issued an LNG Importer Accreditation Certificate in favor of South Premiere Power Corporation (SPPC), the operator of the 1,200 MW Ilijan Gas Fired Combined Cycle Power Plant with validity for 15 years.

Under technical support, the DOE partnered with the University of the Philippines – Statistical Center Research Foundation, Inc. (UP-SCRFI) and UP-National Engineering Center (NEC) for the implementation of the Gas Policy Development Projects (GPDP) 2. GPDP 2 aims to provide technical assistance to the DOE in implementing the Philippine Downstream Natural Gas Regulation as well as continue the activities initiated in GPDP 1 that focused in areas such as technical support to DOE in the implementation of the Philippine Downstream Natural Gas Regulation, capacity building, promotion of LNG market development through study of potential non-power applications and demand analysis/profiling of economic zones and inputs to related legislations. The project run for two (2) years and culminated on 22 September 2022.

The major accomplishments of GPDP 2 are the following:

- Market Profiling of Potential natural Gas Users in Economic Zones augmented the initial study, widening the scope to all types of Special Economic Zones (SEZs), particularly identifying locators with energy-intensive operations in the Cavite, Laguna, Batangas, Rizal, Quezon (CALABARZON), Clark, Subic, and Bataan areas, for a possible market for Natural Gas as the second layer market beyond power use.
- Power and Non-power application of natural gas to support the market profiling study on understanding the uses of natural gas for both power and non-power purposes.
- Proposed Regulatory Process (PRP) which is a report on proposed standards and requirements for review and adoption of nine regulating agencies with the objective that these agencies will be able to promulgate LNG project responsive regulatory framework;

- Natural Gas Development Plan (NGDP) contains information on the existing legal framework, gas demand outlook, ongoing projects, membership of the Technical Committee on Downstream Natural Gas Standards on Products, Facility, and Code of Practice, way forward plans, and the GPDP technical and research products; and
- GPDP 2 Completion Report

Another technical assistance received by the DOE is a partnership with MAN-ES, a German multinational company in the conduct of a feasibility study on the on the applicability of small scale to medium scale LNG importation and regasification facilities for power applications in the Visayas and Mindanao regions. The study aims to provide potential investors guidance with the objectives of boosting investments in small scale LNG facilities in the said regions.

V. ELECTRIC POWER INDUSTRY PROGRAM

The country's peak demand in 2021 was recorded at 16,036 MW. This is an increase of 4.9 percent from the previous year's level of 15,282 MW and may be attributed to the more relaxed pandemic-related restrictions which boosted economic activities.

The total on-grid power generating capacity meanwhile reached 26,882 MW. Coal power plants (11,669 MW or 43 percent) as well as renewable-based power plants (7,914 MW or 29 percent) remain as significant parts of the country's power generating supply. Dependable capacity, on the other hand, totaled 23,855 MW in 2021.

In terms of our power generation mix, more than half or 58 percent (62,052 GWh) of the total generation (106,114 GWh) was supplied by coal. This was followed by renewables at 22 percent (23,771 GWh) – a nod to the global consensus on RE's resilience in the face of the pandemic.

Electrification

As of June 2022, the country's household electrification level stood at 95.78 percent, with 25.44 million households enjoying the benefits of electricity services. At this level, the number of unserved households has gone down to 0.97 million.

On a per grid basis, Luzon and Visayas' household electrification is already past the 90 percent mark. Meanwhile, Mindanao's electrification level is at 87.1 percent.

The enactment of RA 11646 or the Microgrid Systems Act of 2022 on 21 January 2022 serves to complement the government's continuing efforts towards total electrification. It is guided with the objective of accelerating total electrification and ensuring provision of quality, reliable, and secure electricity and affordable supply of electric power service at reasonable rates in unserved and underserved areas. The Act will also provide a competitive environment and level playing field for different kinds of energy resources with a preference for low-cost, indigenous, renewable, and environment-friendly sources of energy. Also, as one of the electrification solutions pointed in EO 156, microgrids are integrated systems that can

produce, deliver electricity for consumption of end-users and can be controlled and operated on a smaller scale suitable for unserved and underserved areas. The system as stipulated in the law will be put in place by accredited microgrid service providers (MGSPs) or by the DUs in areas declared to be unserved and underserved by the Department. Accordingly, the DOE issued Department Circular No. DC 2022-05-0017 “Rules and Regulations to Implement RA 11646 (Microgrid Systems Act)” which took effect last 25 June 2022, 15 calendar days following its publication on 09 June 2022. Various Information and Education Campaign (IEC) of the said MGSA IRR targeting the potential Microgrid Systems Providers and Distribution Utilities in Luzon, Visayas and Mindanao were conducted on November 2022.

Also, pursuant to said MGSA-IRR, the DOE in collaboration with NEA and NPC developed the Local Total Electrification Roadmap (LTER) template that shall include 10-year Electrification Master Plan of the DUs including the list and inventory of all unserved households and/or underserved areas within a DU’s franchise that it plans to electrify including a specific time frame for electrification.

Power Development Plan (PDP)

The PDP 2020-2040 which serves as a comprehensive guide for industry stakeholders to address the future landscape of the country’s electric power industry was published by the DOE on 24 May 2022.

The PDP 2020-2040 contains power-related statistics, major policies and programs, power demand and supply outlook, and power sector roadmaps for the generation, transmission, distribution, supply, electricity market, off-grid development, and total electrification. These roadmaps are anchored on the following goals by 2040: (1) ensure energy security, resiliency, affordability, and sustainability; (2) institutionalize a transparent and fair playing field in the power industry; and (3) expand electricity access for all.

VI. ENERGY EFFICIENCY AND CONSERVATION PROGRAM

Since the issuance of Republic Act No. 11285 or the Act Institutionalizing Energy Efficiency and Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to Energy Efficiency and Conservation Projects on 12 April 2019, several Department Circulars have been issued by the DOE. For the first half of 2022 alone, the DOE has issued the following:

- DC2022-03-0004: Guidelines for the Endorsement of Energy Efficiency Strategic Investments to the Board of Investments for Fiscal Incentives
- DC2022-03-0005: Guidelines for the Recognition of Testing Laboratories for the Examination, Testing & Verification of the Energy Efficiency of Energy-Consuming Products (ECPs) & the Fuel Efficiency of Transport Vehicles, Including the Issuance of Certificate of Endorsement to the Board of Investments (BOI) for Fiscal Incentives
- DC2022-03-0006: Adoption of Training Regulations Certification Process for Energy Auditors (EAs)

- DC2022-03-0007: Adoption of Training Regulations for the Certification of Energy Conservation Officers (ECOs)
- DC2022-03-0008: Adoption of Training Regulations and Prescribing Certification Process for Training Institutions and Energy Managers (EMs)
- DC2022-04-0013: Adopting of Certification Guidelines for Energy Audit Conducted by Firm, Partnership, Corporation, and Sole Proprietorship (FPCS)
- DC2022-11-0035: Expanding the Coverage of the Philippine Energy Labeling Program (PELP) for the Compliance of Importers, Manufacturers, Distributors, Dealers and Retailers of Energy Consuming Products (ECPs)
- DO2022-03-0005: Guidelines on the Issuance of the Certificate of Energy Efficiency Cost Reductions (EECR)
- DO2022-04-006: Guidelines on the Endorsement of Government Energy Efficiency Projects to the Inter-Agency Energy Efficiency and Conservation Committee Pursuant to the Government Energy Management Program Guidelines

To further EEC efforts, the government will lead by example through the Government Energy Management Program (GEMP) which will be implemented by the Inter-Agency Energy Efficiency and Conservation Committee (IAEECC).

As of 31 December 2022, the compliance of government entities to GEMP stood at 61.8 percent resulting in savings equivalent to PhP 2.73 billion.

The Online Application and Database System for the PELP and GEMP has been developed to enhance the processing and monitoring of application requests (company or product registration, issuance of energy labels), downloading of PELP required forms, approved labels, and submission of regular energy consumption reports. The PELP Online Registration System was launched on 12 August 2021 enjoining all manufacturers, importers and distributors of ECPs to register their existing and upcoming product models to the PELP System. As of 31 December 2022, a total of 2,278 409 energy labels have been issued by the DOE.

On the other hand, under Memorandum Circular (MC) MC2020-05-001, all DEs in the commercial, industrial, and transport sectors are required to regularly submit their Annual Energy Efficiency and Conservation Reports (AEECR) and Annual Energy Utilization Report (AEUR) to the DOE. As of March 2022, there are 2,829 DEs which have submitted their AEUR via the online Google platform. As of 31 December 2022, submissions of private entities pursuant to said MC have registered investment costs of PhP4.6 billion and energy savings of about 491.8 GWh.

VII. ALTERNATIVE FUELS AND TECHNOLOGIES PROGRAM

On transport, the EV industry is seen to ramp up with the signing of RA 11697 or the Electric Vehicle Industry Development Act (EVIDA) which became effective on 15 April 2022. The EVIDA will provide national energy policy and regulatory framework for the manufacture and

use of electric vehicles and establishment of electric vehicle charging stations to promote cleaner and energy efficient transport technologies.

With the passage of the EVIDA, the DOE commenced the development of the Comprehensive Roadmap for the Electric Vehicle Industry (CREVI) which will serve as the National Development Plan for the EV industry with an annual workplan to accelerate the development, commercialization, and utilization of EVs in the country.

To provide consumers with options on advanced energy technologies and environment-friendly fuel, the DOE continues to embark on mainstreaming the AFETs. New policies related to electric vehicles and charging stations were institutionalized, as well as research studies on alternative fuel applications and demonstration of advanced energy technologies, and formulation of code of practice and minimum energy performance rating for household appliances and transport vehicles are being conducted.

2022 FINANCIAL ACCOMPLISHMENTS

The budget utilization rate of the DOE for as of 31 December 2022 is 93.5 percent or Php 2.23 billion has been obligated out of Php 2.38 billion allotment released, of which Php 1.31 billion was disbursed or 59 percent of the obligated amount has been paid.

PROPOSED MODIFICATIONS IN ORGANIZATION

For 2022, DBM has approved the additional plantilla positions of the DOE, as follows:

- Energy Policy and Planning Bureau (Energy Resiliency and Planning Section) (4)
- Energy Utilization Management Bureau (4)
- Mindanao Field Office (4)
- Visayas Field Office (4)
- Luzon Field Office (4)
- Executive Office (3)

Furthermore, 18 positions under the Office of the Secretary, Investment Promotion Office, Energy Policy and Planning Bureau and Oil Industry Management Bureau were likewise converted.

The passage of new policy issuances such as the EVIDA Act of 2022 (RA 11697) and LPG Industry Regulation Act of 2021 (RA 11592) will result to expansion of responsibilities which will require hiring of new personnel.