



DEPARTMENT CIRCULAR NO. DC2024- 03-0010

**AMENDMENT TO DEPARTMENT CIRCULAR NO. DC2023-10-0029
PROVIDING SPECIFIC AUCTION POLICY AND GUIDELINES FOR NON-FIT-
ELIGIBLE RENEWABLE ENERGY TECHNOLOGIES IN THE GREEN ENERGY
AUCTION PROGRAM**

WHEREAS, on 12 December 2023, the Department of Energy (DOE) issued Department Circular (DC) No. DC2023-10-0029 titled, "Providing Specific Auction Policy and Guidelines for Non-FIT-Eligible Renewable Energy Technologies in the Green Energy Auction Program";

WHEREAS, Section 5.1 of said Circular provides that the Energy Regulatory Commission (ERC) shall issue the approved parameters and criteria per type of Non-FIT-Eligible RE Facility to be used in evaluating Price Offers submitted by Bidders;

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

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

NOW, THEREFORE, pursuant to its authority under Republic Act No. 9513, or the Renewable Energy Act of 2008, the DOE hereby adopts, issues, and promulgates the following amendments to DC No. DC2023-10-0029:

Section 1. Section 5.1, 2nd Paragraph is hereby amended to read as follows:

"5.1 Pre-Auction Process and Price Offer.

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"Within sixty (60) calendar days from effectivity of this Circular, the ERC shall promulgate the rules on the Price Determination Methodology (PDM) for Non-FIT-Eligible RE Technologies in the GEAP taking into consideration the set of parameters and criteria based on, among others, cost range assumptions and weighted cost of capital of Project Internal Rate of Return (PIRR). These shall be used in its evaluation of Price Offers submitted by Bidders."

Section 2. Section 5.2, 2nd Paragraph is hereby deleted.

Section 3. Section 5.4, 2nd Paragraph is hereby amended to read as follows:

“Section 5.4. Evaluation of Offers.

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“After evaluation, the DOE shall endorse the respective Price Offers of legally and technically compliant bids to the ERC. The ERC shall, within sixty (60) days upon receipt of the DOE endorsement, evaluate the said Price Offers based on its approved PDM for Non-FIT-Eligible RE Technologies, which shall include indexation as may be determined by the Commission. After the ERC completes its evaluation and endorses the Price Offers to the DOE, the latter will confirm which bidders' Price Offers are deemed acceptable.”

Section 4. Section 6 is hereby amended to read as follows:

“**Section 6. Winning Bidders.** The Winning Bidders for each auction round of Non-FIT-Eligible RE technology will be those whose Price Offers have been evaluated and found consistent by the ERC with its PDM for Non-FIT-Eligible RE Technologies.”

Section 5. Separability Clause. If any section or provision of this Circular is declared invalid or unconstitutional, such parts not affected shall remain valid and subsisting.

Section 6. Repealing Clause. The provisions of other circulars, orders, issuances, rules, and regulations which are inconsistent with the provisions of this Circular, are hereby repealed, amended, modified, or superseded accordingly.

Section 7. Effectivity. This Circular shall take effect immediately after publication in two (2) newspapers of general circulation. A copy of this DC shall be filed with the University of the Philippines Law Center – Office of National Administrative Register (UPLC-ONAR).

Issued this _____ at the DOE, Energy Center, Rizal Drive cor. 34th Street, Bonifacio Global City, Taguig City.


RAPHAEL P.M. LOTILLA
Secretary



MAR 25 2024