



Republic of the Philippines

## DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. DC2023-05-0010

### GUIDELINES ON THE UNBUNDLING OF ELECTRIC VEHICLE CHARGING STATION CHARGING FEE PURSUANT TO ELECTRIC VEHICLE INDUSTRY DEVELOPMENT ACT

**WHEREAS**, Republic Act (RA) No.7638 or the Department of Energy (DOE) Act of 1992 declares as a policy of the State, among others, to ensure a continuous, adequate, and economic supply of energy with the end in view of ultimately achieving self-reliance in the country's energy requirements through the integrated and intensive exploration, production, management, and development of the country's indigenous energy sources;

**WHEREAS**, Sections 5 (e) and (h) of RA No. 7638 authorizes the DOE to regulate private sector activities as provided under existing laws, providing therein an environment conducive to free and active private sector participation and investment in all energy activities, as well as to formulate and implement a program for the accelerated development of non-conventional energy systems and the promotion and commercialization on its applications;

**WHEREAS**, RA 11285 or the Energy Efficiency and Conservation (EEC) Act declares that it is the policy of the Government to promote a judicious conservation and efficient utilization of energy resources including its use in the transport sector being one of the energy consuming sector;

**WHEREAS**, Section 3 of the EEC Act provides for the establishment of a framework for introducing and institutionalizing fundamental policies on EEC, including the promotion of efficient and judicious utilization of energy, increase in the utilization of energy efficiency and renewable energy technologies, and the delineation of responsibilities among various government agencies and private entities;

**WHEREAS**, RA 11697 or the Electric Vehicle Industry Development Act (EVIDA) declares that it is the policy of the Government to provide an enabling environment for the development of electric vehicles (EVs) including options for micromobility as an attractive and feasible mode of transportation to reduce dependence on fossil fuels;

**WHEREAS**, Rule II, Section 8 of the Implementing Rules and Regulations of the EVIDA (EVIDA-IRR) provides that EV Charging Station (EVCS) Providers refer to a natural or juridical person, duly accredited by the DOE, who sells, constructs, installs, maintains, owns, or operates EVCS or any of its components for a fee that are commercial use charging stations (CUCS) and battery swapping stations (BSS) and are permitted to impose and collect fees, which shall be unbundled, subject to applicable rules, regulations, and standards promulgated by DOE;

**WHEREAS**, Rule IV, Section 11(a), (j) and (n) of the EVIDA-IRR mandates the DOE to promulgate uniform and streamlined rules, regulations, and standards on the use, operations, and maintenance of EVCS and related equipment, in coordination with other concerned agencies, to include the accreditation of EVCS Providers and requirements imposed by distribution utilities (DUs) on charging stations and EVCS Providers for purposes of ensuring compliance with the unbundling of charging fees by EVCS Providers;

**WHEREAS**, Rule IX, Sections 37 and 38 of the EVIDA-IRR enumerated the prohibited acts and penalties for violations of the EVIDA;



**WHEREAS**, consistent with Rule III, Section 9 of the EVIDA-IRR, the following guidelines are being issued in coordination with the relevant government agencies, and after public consultation with the stakeholders conducted on 20-22 March 2023 and 20 April 2023 in the National Capital Region, Luzon, Visayas and Mindanao:

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

**Section 1. Title.** This Department Circular (DC) shall be known as “EVCS Unbundling of Charging Fees Guidelines”.

**Section 2. Scope and Application.** This DC shall establish the guidelines in the unbundling of EVCS charging fees imposed and collected from EV users in exchange for the use of EVCS facilities to charge EVs of Accredited EVCS Provider – Operator.

**Section 3. Definition of Terms.** In addition to the terms provided under Section 4, Rule I of the EVIDA-IRR, the following terms used in this DC shall apply:

- 3.1 **Applicant** refers to the DOE Accredited EVCS Provider – Operator defined in the EVCS Provider Accreditation and EVCS Registration Guidelines;
- 3.2 **Battery Swapping Station (BSS)** refers to a facility which allows EV users to exchange a near empty discharged battery with a fully charged battery. BSS which imposes charging fee may be classified as Commercial Use Charging Stations for unbundling purposes under this Department Circular;
- 3.3 **Charging Fee** refers to the amount imposed on EV users in exchange for the use of CUCS whose individual components shall be unbundled pursuant the guidelines provided under this Department Circular;
- 3.4 **Commercial Use Charging Stations (CUCS)** refer to the utilization of charging stations by the general public or a defined group of individuals and are permitted to impose and collect fees;
- 3.5 **Distribution Utility (DU)** refers to any electric cooperative, private corporation, or government-owned utility or existing local government unit which has a franchise or authority operate a distribution system including those whose franchise or authority covers economic zones;
- 3.6 **EUMB** refers to Energy Utilization Management Bureau of the DOE;
- 3.7 **EVCS** refers to a facility with equipment for the delivery of electrical energy to EVs or its battery, installed in an enclosure with special control functions and communications, and may be located off the vehicle with reference to Section 6 of the EVIDA-IRR. For the purpose of this Department Circular, BSS is also an EVCS.
- 3.8 **EVCS Provider – Operator** refers to an accredited entity engaged in the operation of EVCS who are collecting fees from EV users in exchange for the use of facilities of EVCS to charge EVs; and
- 3.9 **Own-Use Charging Stations** refer to the utilization of a charging station exclusively by an individual and shall not be allowed to impose and collect fees.

**Section 4. Electric Vehicle Charging Station.** For unbundling purposes, pursuant to Section 6 of the EVIDA-IRR, EVCS utilization and operation may be classified as follows:



- 4.1 Commercial use charging stations (CUCS) are EVCS whose utilization are open to the general public or a defined group of individuals, which impose and collect charging fees on EV users; or
- 4.2 Own-use charging stations (OUCS) are EVCS whose utilization are for the exclusive use by an individual, or group (cooperative, corporation, or other entity) and shall not be allowed to impose and collect charging fees: *Provided, That* OUCS that are exclusively used by groups consisting of at least two (2) different cooperatives, corporations and/or other entities shall be considered as CUCS.

**Section 5. Unbundling General Requirements.** EVCS Provider - Operator are permitted to impose and collect fees from EV users in exchange for the use of facilities of EVCS to charge EVs: *Provided, That* it shall comply with the minimum unbundling method and requirements specified hereof.

**Section 6. Unbundling Method.** Pursuant to Section 25 of the EVIDA-IRR, the charging fee imposition and collection can be in various methods, including but not limited to:

- 6.1 Fixed fees (monthly or annual fee for the use of EVCS facilities);
- 6.2 Variable/Consumption fees (per kWh fee of electricity used for charging);
- 6.3 Time-Based Fees (cost per minute charged, cost per hour charged, etc.);
- 6.4 Service-based Fees (cost per use of EVCS facilities);
- 6.5 Cashless payment; and
- 6.6 A mix of these and other methods.

*Provided, That* all charging fee imposed and collected to EV users shall have the minimum structure and applicable details as provided in Annex A of this DC: *Provided Further, That* EVCS Provider - Operator shall ensure that the unbundled structure of charging fee shall always be provided to EV users on their per usage of EVCS facilities.

**Section 7. Unbundling Structure Application Requirements.** EVCS Provider – Operator shall submit to DOE, through EUMB, the Annex B of this DC for the notice of the unbundled charging fee. Application of unbundled charging fee of EVCS shall show the coverage on a per city/municipality basis. In cases where multiple cities/municipalities have common unbundling structures, a report covering region/s will be accepted by the EUMB.

**Section 8. Initial Processing of Unbundled Charging Fee Application.** The procedure for the unbundling of charging fee shall be as follows:

- 8.1 Upon complete submission of the unbundled charging fee structure, the EUMB shall within two (2) working days determine the completeness of the application documents. Incomplete requirements shall be returned to the Applicant with a corresponding assessment from the EUMB. Submissions after five (5) o'clock in the afternoon shall be processed on the following working day.
- 8.2 The EUMB shall assess and review the documents submitted by the Applicant.
- 8.3 All applicants shall submit application documents through EUMB's official email address. With this, EUMB will develop an online platform for EVCS to facilitate ease



of applications and other requirements under this DC which will be announced to all EVCS Provider - Operators in place of the email submissions.

**Section 9. Charging Fee Adjustments and/or Updating.** EVCS Provider - Operator shall notify the DOE before the implementation day and prior to any public announcement thereof for any adjustments and/or updating of charging fee. The following documentary requirements shall be attached with the notice: *Provided, That* charging fee adjustments shall only be applied upon the acceptance of the notice by the EUMB.

- 9.1. Unbundled Structure Report Form (Annex B);
- 9.2. Notice of Adjustments (Annex C);
- 9.3. Explanation of the charging fee (Annex D); and
- 9.4. Other document/s supporting the justification for charging fee adjustments.

All adjustments of charging fees shall be covered by a notice of adjustment.

**Section 10. Implementation Day.** To facilitate the monitoring of charging fees, the implementation day will begin from the acceptance of notice by the EUMB, and will be applicable for thirty (30) calendar days.

**Section 11. Obligations of EVCS Providers – Operators.** All EVCS Providers – Operators are required to comply with the following:

- 11.1 Non-imposition and/or collection of fees without the approved unbundled charging fee;
- 11.2 Allow the authorized representative from the EUMB, at all reasonable times, full access to its facilities, and other pertinent records for the purpose of verification of corresponding unbundled charging fees; and
- 11.3 Annually submit Annex E of this DC on or before February 28.

The DOE, through the EUMB, shall issue implementing guidelines for the effective administration of the obligations of EVCS Providers including the detailed procedure for the monitoring, verification and enforcement including its effectivity and timelines: *Provided, That* the implementing guidelines shall only be issued after public consultation.

**Section 12. Obligations of DUs Operating as EVCS.** In the event that a DU engages in the business of EVCS, it shall comply with Section 26 of RA 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA) as implemented by Energy Regulatory Commission's applicable rules and guidelines on business separation and unbundling.

**Section 13. EVCS Provider Registry.** Pursuant to Section 11(f) of the EVIDA-IRR, the EUMB, shall provide an annual report, and maintain a registry of all registered EVCS with its charging fee in the country through its official website.

**Section 14. Information, Education and Communication Activities.** Pursuant to Section 11(e) of the EVIDA-IRR, the DOE, together with the Department of Transportation (DOTr) and Department of Trade and Industry (DTI), shall develop and undertake a national awareness and advocacy program covering EV and EVCS adoption, programs, and initiatives, and pursue partnerships with relevant stakeholders for the appreciation of this DC.



**Section 15. Prohibited Acts.** Pursuant to Section 28 of the EVIDA, any person both natural or juridical, (the EVCS Provider - Operator and its responsible officers and personnel), shall be subject to the imposition of penalties which may include suspension or revocation of EVCS Provider Accreditation issued under this DC for violation of the following:

- a. Failure to provide accurate information or provision of false or misleading information as required (Sections 5 and 6);
- b. Non-submission of reportorial requirements (Sections 7 and 11.3);
- c. Imposition and collection of fees without a submitted unbundled charging fee (Section 11.1);
- d. Refusal to submit to on-site inspections and monitoring (Section 11.2); and
- e. Non-compliance with the implementing guidelines issued pursuant to this DC.

**Section 16. Penalties.** Upon the determination that any EVCS Provider - Operator, Owner, person or entity has committed any of the prohibited acts in Section 15 of this DC, a fine ranging from a minimum of Fifty Thousand Pesos (PHP50,000.00) to a maximum of Five Hundred Thousand Pesos (PHP500,000.00) specified in Annex F, and may include suspension or revocation of permits/certificates issued and/or blacklisting, if applicable, be imposed upon any EVCS Provider, owner, person, or entity both natural and juridical.

The imposition of the fines is without prejudice to the penalties provided under existing laws, rules, and regulations prescribed by other concerned agencies.

**Section 17. Transitory Clause.** All existing EVCS Providers are given one hundred eighty (180) days from the effectivity of this DC to comply with the provisions hereof.

**Section 18. Review Clause.** In light of the dynamic nature of the industry, the DOE shall periodically review, update and issue the necessary rules relative to the operation of the EVCS every two (2) years from the date of issuance, or earlier as the need arises.

**Section 19. Separability Clause.** If for any reason, any section or provision of this DC is declared unconstitutional or invalid, the other parts or provision hereof which are not affected hereby shall continue to be in full force and effect.

**Section 20. Repealing Clause.** The provisions of other circulars, and other orders, issuances, rules and regulations, which are inconsistent with the provisions of this DC are hereby repealed, amended, modified or superseded accordingly.

**Section 21. Effectivity.** This DC shall take effect immediately within fifteen (15) days after its complete publication in at least two (2) national newspapers of general circulation. A copy of this DC shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued on \_\_\_ May 2023 at the DOE, Energy Center, Rizal Drive cor. 34<sup>th</sup> Street, Bonifacio Global City, Taguig City.

  
RAPHAEL P. M. LOTILLA  
Secretary



MAY 12 2023