



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT ORDER NO. DO2014-11-0020

**ADOPTING THE GUIDELINES GOVERNING OPEN AND COMPETITIVE  
SELECTION PROCESS IN THE AWARD OF RENEWABLE ENERGY SERVICE  
CONTRACT, AND FOR OTHER PURPOSES**

**WHEREAS**, Article XII, Section 2 of the 1987 Philippine Constitution provides that all forces of potential energy and other natural resources within the Philippine territory belong to the State and their exploration, development and utilization shall be under the full control of the State;

**WHEREAS**, Republic Act No. 7638, as amended, otherwise known as "The Department of Energy (DOE) Act of 1992", mandates the DOE to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Government relative to energy exploration, development, utilization, distribution, and conservation;

**WHEREAS**, Republic Act No. 9513 or the "Renewable Energy (RE) Act of 2008" and its Implementing Rules and Regulations (IRR) encourages the DOE to promote the accelerated development of RE resources;

**WHEREAS**, Section 9 of Department Circular No. 2009-07-0011 (Circular) entitled "Guidelines Governing A Transparent and Competitive System of Awarding RE Service/Operating Contracts and Providing for the Registration Process of RE Developers", provides that the DOE shall award non-frontier areas through Open and Competitive Selection Process (OCSP);

**WHEREAS**, the DOE has identified non-frontier areas for RE resource development and utilization considering that there are sufficient available technical data on these areas;

**WHEREAS**, the DOE recognizes the important role of host local government units (LGUs) in the exploration, development and utilization of RE resources as well as the role of distribution utilities (DUs), as off-takers; and

**WHEREAS**, the exploration, development and utilization of these non-frontier areas for RE resources would significantly contribute in the energy supply requirements of the Philippines.

**NOW THEREFORE**, for and in consideration of the foregoing premises, the DOE hereby orders the following procedures to govern the OCSP for RE resources in non-frontier areas:

**Section 1. Scope of Coverage.** This Department Order shall govern the determination of the legal, financial and technical qualifications of applicants, the evaluation of their application, and the award of RE service contracts through OCSP in non-frontier areas.

Non-frontier areas are defined as areas with RE resources with sufficient available technical data for the immediate development and utilization as determined by the DOE. The DOE shall identify non-frontier areas for OCSP as often as practicable through publication in the DOE website.

**Section 2. Responsibilities of the RE Review and Evaluation Committee (RE-REC).** The RE-REC created under Department Order No. DO2013-12-0020 shall carry out the responsibilities under this Department Order.

**Section 3. Adoption of Template Renewable Energy Service Contracts.** For the purposes of this Department Order, the approved templates for renewable energy service contracts under Department Order No. DO2013-08-0011 entitled, *“Adopting Policies in Relation to the Processing of Renewable Energy Service Contracts and Mandating the Adoption of Revised Templates for Renewable Energy Service Contracts”* and the template for Large Hydropower Service Contract as defined under Department Order No. DO2014-06-0010 entitled, *“Adopting A Template For Large Hydropower Service Contract (HSC), Amending Department Order No. DO2013-08-0011 And Other Pertinent Rules And Regulations Inconsistent Thereto, And For Other Purposes”* shall be adopted.

**Section 4. Preference and/or Option for LGU or DUs in RE Service Contracts.** In the conduct of OCSP and award of RE service contracts under this Department Order, preference may be given for non-frontier areas with private proponents with LGU endorsement. A similar preference may also be given to the DU with interests in the development of RE resources within its franchise area.

The RE-REC is directed to, prioritized and as much as practicable, adopt a shorter timeline for the OCSP, subject to the guidelines embodied in the Annexes of this Department Order for non-frontier areas with prior LGU endorsement or those located in Mindanao.

**Section 5. Separability Clause.** If for any reason, any provision of this Department Order is declared unconstitutional or invalid, such part/s which are not affected shall remain in full force and effect.

**Section 6. Repealing Clause.** All other DOE issuances that are inconsistent with the provisions of this Department Order are hereby repealed, amended and modified accordingly.

**Section 7. Effectivity.** This Department Order shall take effect immediately.

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



**CARLOS JERICO L. PETILLA**  
Secretary



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