

Republic of the Philippines **DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR NO.

DIRECTING THE COMPLIANCE OF COMMERCIAL, INDUSTRIAL AND TRANSPORT ESTABLISHMENTS WITH THE PHILIPPINE MINIMUM ENERGY PERFORMANCE (MEP) PROGRAM AS A POLICY OF THE GOVERNMENT

WHEREAS, Section 2 of Republic Act No. 7638 or the "Department of Energy (DOE) Act of 1992" declares as policy of State, among others, to ensure continuous, adequate, and economic supply of energy through the judicious conservation, renewal and efficient utilization of energy;

WHEREAS, Section 2 (k) of Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001 (EPIRA)" states that it is the declared policy of the State to encourage the efficient use of energy and other modalities of demand side management;

WHEREAS, the strengthening of the energy efficiency and the continuing expansion of its coverage will help ensure the attainment of the targets set in the Philippine Energy Plan (PEP), the National Energy Efficiency and Conservation Program (NEECP) and the contributions of the country to the Conference of Parties 21 (COP 21) in 2015;

WHEREAS, the Energy Efficiency and Conservation Roadmap 2017 – 2040 sets out high level directions across the key energy using sectors of industry, transport, commercial building and residential consumers, as articulated in its Action Plan 2016 – 2020 with a target to achieve measureable reduction in energy intensity and consumption per year versus business as usual (BAU);

WHEREAS, the DOE in exercise of its mandate to ensure judicious utilization of energy, shall effectively implement and continuously expand the coverage of the energy performance program;

WHEREAS, the setting up of an energy monitoring program consistent with the government's policy of ensuring the judicious conservation and efficient utilization of energy is imperative; and

WHEREAS, the collection of regional data is essential to estimate the country's energy intensity improvement potentials, to provide valuable information on sectoral energy use, to determine Specific Energy Consumption (SEC) and the establish the Minimum Energy Performance (MEP).

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

Section 1. Declaration of Minimum Energy Performance (MEP) Compliance as a **Policy of Government**. It is hereby declared that compliance by the commercial, industrial and the transport (CIT) establishments with the Philippine MEP as a policy of the government.

Section 2. Scope. The Philippine MEP shall apply to all CIT consuming more than Five Hundred Thousand (500,000) kWh or One Hundred Thirty Thousand Five Hundred (130,500) liters of oil equivalent (LOE) or consumption thresholds which may later be set by the DOE.

Section 3. Reportorial Requirements. In order to effectively implement the Philippine MEP, all CIT establishments shall submit the following reports to the DOE through the Energy Utilization Management Bureau (EUMB):

- 3.1 Semi-Annual Energy Consumption Reports (SAECR) containing information for the estimation of the SEC and MEP consuming than 500,000 kWh or 130,500 LOE.
- 3.2 Annual Energy Conservation Report (AECR) in addition to the SAECR for CIT establishments consuming more than One Million (1,000,000) kWh or Two Hundred Sixty One Thousand (261,000) LOE in addition to the SAECR.

Copies of the SAECR and AECR along with the General Instructions for the preparation of the reports are attached in this Circular. Compliance with the reportorial requirements is encouraged to be made online.

The DOE – EUMB may conduct on-site inspection to validate the accuracy of the submitted reports of CIT establishments or require the submission of additional requirements as may be deemed necessary.

Section 4. Information, Education and Communication (IEC) Activities. The DOE through the EUMB shall implement intensive IEC activities that are designed to increase public awareness and appreciation of this Circular.

Section 5. Prohibited Acts. The following acts shall be considered as prohibited acts under this Circular:

- 5.1 Failure and/or willful refusal to accomplish and submit the required reports under Section 3 of this Circular.
- 5.2 Willful submission of false, inaccurate or misleading reports.
- 5.3 Willful refusal to submit to on-site inspection.

Section 6. Implementation and Enforcement Measures. The DOE shall take all necessary reasonable measures to ensure the proper enforcement of this Circular, which measures shall not be limited to those specified under this Section:

6.1 In the event of violation or non-compliance with these rules and regulations, the DOE shall issue citations to provide for compliance with the reportorial requirements under Section 3 of this Circular.

6.2 In instances of continued non-compliance after the issuance of citation, the DOE upon prior notice and hearing to the CIT establishment, issue an order to cease and desist operations until compliance.

Actions in this instance may proceed after proper investigation or verification, motu propio, or upon verified complaint by any party, proceed with the enforcement measures enumerated in this paragraph.

Section 7. Penalties for Non-Compliance. The commission of any of the prohibited acts under Section 5 of this Circular shall give rise to the imposition of fines ranging from One Thousand Pesos (Php 1,000.00) to Five Thousand Pesos (Php 5,000.00) which will be imposed upon President and/or other responsible officer of the CIT establishment.

Section 8. Separability Clause. If any, provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 9. Repealing Clause. All issuances, rules and regulations, or part thereof inconsistent with this Circular are hereby repealed, amended or modified accordingly.

Section 10. **Effectivity**. This Circular shall take effect fifteen (15) days after its complete publication in two (2) newspapers of general circulation.

Issued this ______ at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City.

ALFONSO G. CUSI Secretary