



DEPARTMENT CIRCULAR NO. DC2025-03-0004 

**AMENDMENT TO DEPARTMENT CIRCULAR NO. DC2021-11-0036 TITLED
“PROVIDING THE REVISED GUIDELINES FOR THE GREEN ENERGY AUCTION
PROGRAM IN THE PHILIPPINES”**

WHEREAS, the Department of Energy (DOE) issued the revised Guidelines for the Green Energy Auction Program (GEAP) through Department Circular (DC) No. DC2021-11-0036 titled, *“Providing the Revised Guidelines for the Green Energy Auction Program in the Philippines”* (GEAP Guidelines);

WHEREAS, through the GEAP, the DOE instituted a competitive process in the selection of eligible renewable energy (RE) facilities entitled to the Feed-In Tariff Allowance (FIT-All) Fund;

WHEREAS, under the GEAP, the Feed-In Tariff (FIT) to be paid to the selected eligible RE facilities is fixed based on the price (in PhP/kWh) of the Winning Bidder’s offered capacity in a Green Energy Auction, known as the “Green Energy Tariff” (GET);

WHEREAS, GET is defined in Section 4.6 of the GEAP Guidelines as the price, in PhP/kWh, resulting from the conduct of each Green Energy Auction corresponding to each Winning Bidder on a pay-as-bid basis;

WHEREAS, under Section 2.10 of ERC Resolution No. 16, Series of 2010, titled *“Resolution Adopting the Feed-In-Tariff Rules”* (FIT Rules), ERC shall adjust the FITs annually for the entire period of its applicability to allow pass-through of local inflation and foreign exchange (FOREX) rate variations and shall employ a simple benchmarking indexation formula to apply to all technologies based on applicable percentage sharing between local and foreign capital as determined by the ERC in the setting of the FITs;

WHEREAS, ERC Resolution No. 18, Series of 2014, titled *“A Resolution Approving the Templates for the Renewable Energy Payment Agreement (REPA) and the Renewable Energy Supply Agreement (RESA)”*, recognizes that the “FIT rate” may be adjusted by the ERC in accordance with Section 2.10 of the FIT Rules;

WHEREAS, Section 16 of the GEAP Guidelines provides that the Green Energy Auction adopts the Regulatory Framework and Administration of FITs provided under ERC Resolution No. 16, Series of 2010, except that the Green Energy Auction pricing mechanism shall be governed by Section 8 of said Guidelines, *i.e.*, ERC shall determine the Green Energy Auction Reserve (GEAR) Price for each auction round;

WHEREAS, there is a need to clarify that the indexation provided under ERC Resolution No. 16, Series of 2010, applies to the GET under GEAP, notwithstanding Section 4.6 of the GEAP Guidelines;

WHEREAS, Department Circular No. DC2024-06-0018, titled "*Revised Omnibus Guidelines Governing the Award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers*" (Revised Omnibus RE Guidelines), which took effect on 25 June 2024, grants an RE Developer the option to be issued a Certificate of Authority (COA) after approval of its RE Application but before the execution of the RE Contract;

WHEREAS, a COA is a certificate duly signed by the DOE exclusively authorizing an RE Developer to procure the necessary permits and tenurial instruments for the exploration, development, construction and installation, and commercial operation of the RE Project and conduct reconnaissance and other activities needed for pre-feasibility studies, as applicable, within the area specified in the certificate, thereby giving the RE Developer the privilege of procuring the aforesaid permits and tenurial instruments outside of the contract term;

WHEREAS, to allow the participation in the GEAP of RE Developers whose RE Applications have been duly approved by the DOE and who have been issued with COA, the term "Qualified Suppliers" as defined under the GEAP Guidelines must be modified;

WHEREAS, in the interest of efficiency in the conduct of the Green Energy Auction, the posting of the Notice of Auction for a Green Energy Auction shall serve as notice to all stakeholders of the GEAP, without the need of publication in a newspaper of general circulation;

WHEREAS, on 14 February 2025, the DOE conducted an online public consultation on the draft DC, titled "*Amendment to Department Circular No. DC2021-11-0036 titled, Providing the Revised Guidelines for the Green Energy Auction Program in the Philippines.*"

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 amendment to the GEAP Guidelines.

Section 1. Section 4.12 of the GEAP Guidelines is hereby amended to read as follows:

"4.12. '***Qualified Suppliers***' refer to RE Developers/Generators: **(a) awarded with a valid and subsisting RE Contract, or (b) issued with COA, and** eligible to participate in the GEA as determined by the GEAC under Section 6.1 of this Circular;"

Section 2. Section 9.1 of the GEAP Guidelines is hereby amended to read as follows:

"9.1 Publication of the Notice of Auction. The DOE shall publish the Notice of Auction **on its website**. xxx."

Section 3. Section 16 of the GEAP Guidelines is hereby amended to read as follows:

"Adoption of Certain Provisions in the FIT Rules. The GEA adopts the Regulatory Framework and Administration of FITs provided under Resolution No. 16, Series of 2010, issued by the ERC. However, the GEA pricing mechanism shall be governed by Section 8 of this Circular. **For the avoidance of doubt, the GET resulting from Green Energy Auctions conducted after the effectivity of this Circular shall be subject to indexation as may be determined by the ERC in accordance with the FIT Rules.** As such, other entities involved in the implementation of the FIT shall continue to discharge their responsibilities as set forth in the FIT Rules with respect to the results of each auction round.

Section 4. 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 5. Repealing Clause. All previous issuances, rules, and regulations inconsistent with this Circular are hereby repealed, amended, or modified accordingly.

Section 6. Effectivity. This Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked. A copy of this Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued this MAR 07 2025 at the DOE, Energy Center, Rizal Drive, cor. 34th Street, Bonifacio Global City, Taguig City, Metro Manila.


RAPHAEL P.M. LOTILLA
Secretary

