



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

DEPARTMENT ORDER NO. DO2018-04-0008

**OPERATIONALIZING THE PROCEDURES FOR THE EFFECTIVE AND
EFFICIENT IMPLEMENTATION OF EXECUTIVE ORDER NO. 30,
SERIES OF 2017, CREATING THE ENERGY INVESTMENT COORDINATING
COUNCIL IN ORDER TO STREAMLINE THE REGULATORY PROCEDURES
AFFECTING ENERGY PROJECTS**

WHEREAS, Republic Act No. 7638 entitled “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, Executive Order No. (EO) 30, series of 2017 entitled “Creating the Energy Investment Coordinating Council (EICC) in Order to Streamline the Regulatory Procedures Affecting Energy Projects” was issued on 28 June 2017;

WHEREAS, Department Order No. DO2017-10-0012 entitled “Designation of DOE Representatives to the EICC Provided in EO 30” was issued on 17 October 2017 and provided for among others the establishment of the EICC Secretariat and the Energy Projects of National Significance (EPNS) Committee;

WHEREAS, Department Order No. DO2018-03-0003 entitled “Creating a Centralized Review and Evaluation Committee (CREC) for the Purpose of Integrating the Current Committees Administering the Review and Evaluation of Renewable Energy, Petroleum, Downstream Natural Gas, and Coal Service Contract Applications, the Award, Amendment and Termination of Contracts” was issued on 16 March 2018; and

WHEREAS, guidelines and procedures must be issued for the effective and efficient performance and discharge of the responsibilities of the various bureaus, offices, and units mandated under EO 30 and existing DOE issuances.

NOW, THEREFORE, FOR AND CONSIDERATION OF THE FOREGOING PREMISES, the following are hereby ordered:

Section 1. Coverage and Scope.

- 1.1 This Order shall govern the permitting process for the approval and implementation of logical, systematic, organized and speedy issuance of permits and clearances of Energy Projects of National Significance (EPNS).
- 1.2 This Order shall provide general rules, regulations, and guidelines for the:
 - (a) Establishment of a framework for the speedy and systematic issuance of permits and clearances to expedite the development of significantly needed energy projects and infrastructures;

- (b) Adoption of a streamlined and simplified permitting process that shall serve as a guideline to all concerned agencies and investors, and direction for new investments in energy projects; and
- (c) Resolution and clarification of disputes and issues affecting processes and issuances of permits and clearances necessary for the timely implementation of energy projects.

Section 2. Objectives. This Order shall rationalize and streamline the process of permitting and licensing of energy projects to ensure its timely implementation as follows:

- (a) Make the permitting process transparent and more responsive to the growing energy demands and needs of the country in support to its socio-economic growth and development;
- (b) Simplify the permitting process of concerned agencies for the expeditious development of EPNS, which includes but are not limited to the removal of redundant requirements and procedures, setting of a standardized requirements and forms, tracking/monitoring through a computerized system, etc.;
- (c) Identify the scope of coverage of the process in consideration of the role of other concerned agencies involved in the permitting process;
- (d) Define the bounds of the parameters of EPNS; and
- (e) Develop a regulatory process for the issuance of Certificate of EPNS (CEPNS).

PART II ENERGY PROJECTS OF NATIONAL SIGNIFICANCE

Section 3. Coverage of EPNS. Energy Projects refer to activities or projects relative to the exploration, extraction, production, importation-exportation, processing, transportation, marketing, distribution, utilization, conservation, stockpiling, or storage of all forms of energy products and resources. Energy Projects of National Significance (EPNS) are major **Energy Projects** aligned with the policy thrusts and specific goals of the Philippine Energy Plan (PEP), and possesses any of the following attributes:

- (a) It must have a significant capital investment of PhP 3.5 billion;
- (b) It must have a significant contribution to the country's economic development;
- (c) It must have a significant consequential economic impact;
- (d) It must have a significant potential contribution to the country's balance of payment;
- (e) It must have a significant impact on the environment;
- (f) It must have a significant complex technical processes and engineering designs; and
- (g) It must have a significant infrastructure requirement.

PART III
ENERGY INVESTMENT COORDINATING COUNCIL (EICC)

Section 4. Composition.

- 4.1 Consistent with Section 4 of EO 30, representatives to the EICC shall preferably have a rank of Undersecretary to be designated by their respective agency heads. To ensure the smooth operation, EICC members shall designate permanent and alternate representatives.
- 4.2 Designated permanent and alternate representatives shall be considered to have been vested with authority to bind their respective agencies relative to the implementation of EO 30.
- 4.3 The EICC shall be supported by the EICC Secretariat as provided under Section 3 of DO2017-10-0012.

Section 5. Procedures on the Operation of the EICC.

- 5.1 The EICC shall act as a council and approval of its actions may be made by simple majority.
- 5.2 The EICC shall formulate its own ethical procedures to avoid conflict of interest of its members.
- 5.3 The EICC shall formulate and adopt its own internal Rules of Procedure.
- 5.4 The EICC may create sub-committees and technical working groups as may be necessary to fulfill its mandate.
- 5.5 The EICC Chairperson shall supervise the day-to-day operations of the EICC Secretariat including the necessary staffing complement and resources for its operations. Towards this end, the EICC Chairperson is authorized to submit and upon approval of the Department of Budget and Management (DBM) fill out positions of the EICC Secretariat.
- 5.6 The EICC, through the Chairperson, may seek the assistance of other government agencies, government-owned and controlled corporations (GOCCs), and other relevant entities to assist in the performance of its mandate under EO 30.
- 5.7 The EICC may include or invite other agencies to be part of the Council as it may be deemed necessary through an approved Council Resolution.

PART IV
FRAMEWORK FOR THE ISSUANCE AND PROCESSING OF CEPNS

Section 6. EPNS Committee. The EPNS Committee shall continue to discharge its functions relative to the endorsement for the issuance of the CEPNS under Sections 4.1.2, 4.1.3, 4.1.3 and 4.1.4 of DO2017-10-0012.

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Section 7. CEPNS for Upstream Projects. Upstream Projects refer to energy projects under exploration, pre-development and development stage covering oil, gas, coal, geothermal, solar, wind and hydro.

Section 8. CEPNS for Downstream Projects. Downstream Projects refer energy projects under oil refineries, petrochemical plants, petroleum products distributors, retail outlets, natural gas distribution and power projects covering generation, distribution and transmission. For the purposes of this Order, applicants for Notice to Proceed under Department Circular No. DC2017-11-0012 may apply for CEPNS under this section.

Section 8. Guidelines in the Issuance of CEPNS.

- 8.1 For CEPNS for Upstream Projects, all applicants for the exploration and development projects on fossil fuels (oil, gas and coal) and renewable energy (with the exception of biomass being under an operating contract), the EICC Secretariat shall undertake initial assessment based on PEP prerequisite. This includes whether the project is listed in the committed and indicative projects as contained in the PEP or support the overall policy thrusts and strategic directions of the PEP. After determining conformity with the PEP, the application shall be endorsed to the Central Review and Evaluation Committee (CREC) under DO2018-03-0003 for assessment and evaluation of the proponent's compliance with its contractual obligations, such as on its work program, financial commitment and performance bond for the project. Following fulfillment of these requirements, the EPNS Committee shall endorse the project for issuance of CEPNS for Upstream Projects.
- 8.2 For CEPNS for Downstream Projects, projects whose proponents decide to proceed to commercialization, another application for CEPNS for Downstream Projects shall be filed. After finding merits to the application, the EICC Secretariat shall endorse the same for evaluation to determine compliance with the relevant requirements for the issuance of endorsement or permit (Certificate of Endorsement, Notice to Proceed, etc.). Upon favorable endorsement after due evaluation of its compliance, the EPNS Committee shall endorse the project for issuance of CEPNS for Downstream Projects. Reference Flow Chart is attached as Annex A.
- 8.3 To attain a concerted action/response to the qualified proponent granted with a CEPNS, the DOE shall provide the necessary education, information campaign to the applicants and relevant agencies in the permitting process and requirements.
- 8.4 The CEPNS serves as confirmation to agencies involved in the permit processing to proceed on the presumption that relevant permits have already been issued.
- 8.5 The authority to issue CEPNS also carries with it the right to suspend/revoke the same. Hence, the EICC may impose grounds for suspension and revocation within the bounds of law and its applicable rules. The non-compliance of the grantee with the conditions set within the prescribed period is tantamount to a waiver or revocation of such privilege.

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PART V
FINAL PROVISIONS

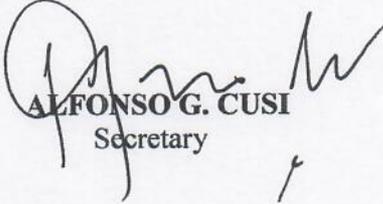
Section 9. Reportorial Requirements. The EICC shall maintain separate records of transactions and book of accounts for its operations and shall submit technical, financial and other operational reports/documents to the DOE, on or before their respective due dates.

Section 10. Separability Clause. If for any reason, any part or provision of this Order shall be held unconstitutional or declared contrary to law, other parts or provisions not affected thereby shall continue to be in full force and in effect.

Section 11. Repealing Clause. All other rules, regulation and issuances or parts thereof, which are inconsistent with this Order, are hereby repealed or modified accordingly.

Section 12. Effectivity Clause. This Order shall take effect immediately and let copies thereof be furnished to the Office of the National Administrative Registrar (ONAR), U.P. Law Center, University of the Philippines, Diliman, Quezon City.

Signed at DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City.


ALFONSO G. CUSI
Secretary



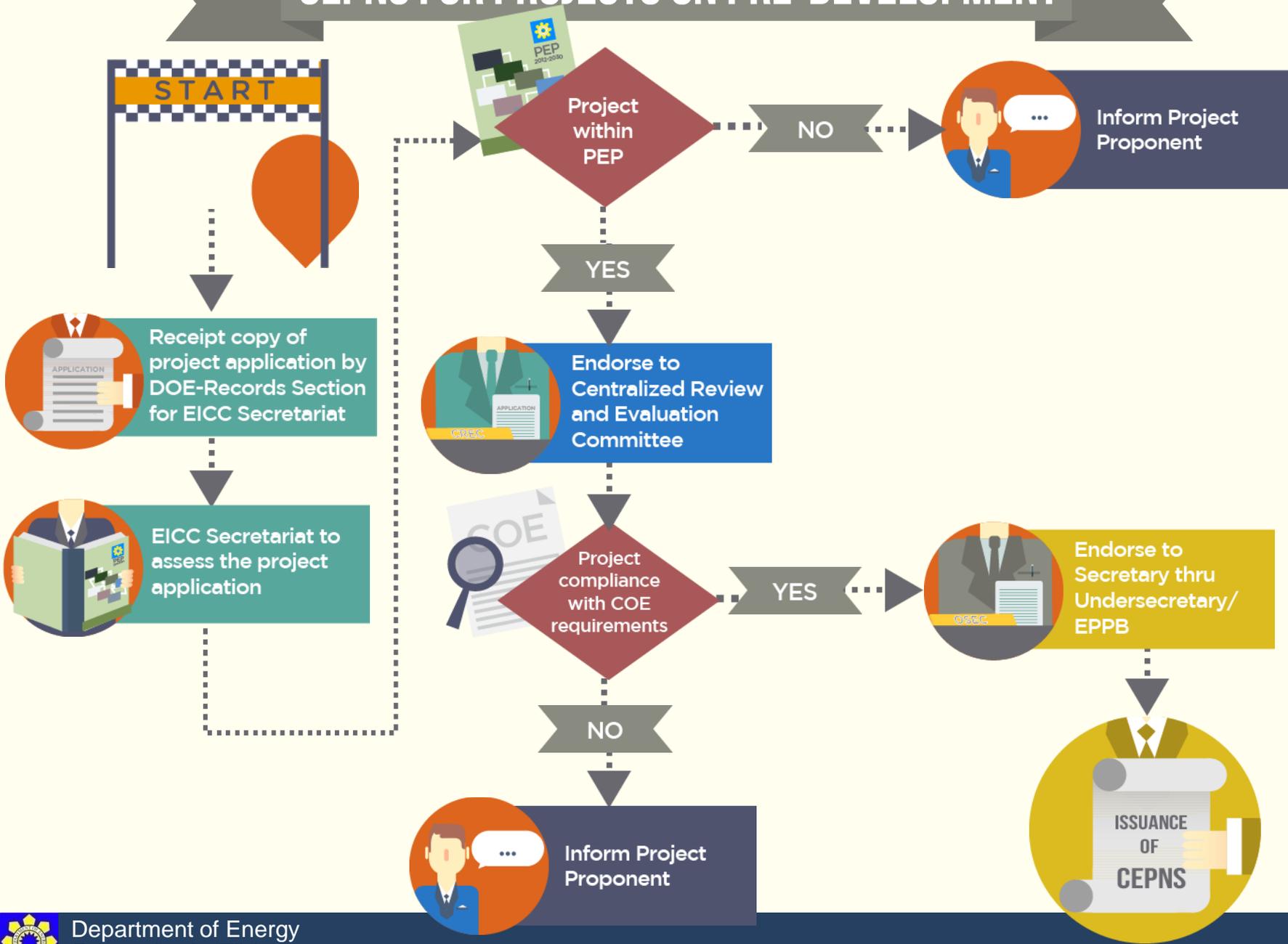
Republic of the Philippines
DEPARTMENT OF ENERGY
IN REPLYING PLS. CITE:

DOE-AGC-18009037



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CEPNS FOR PROJECTS ON PRE-DEVELOPMENT



CEPNS FOR PROJECTS APPROACHING COMMERCIALITY

