

DEPARTMENT ORDER NO. <u>002022 - 12 - 0</u>016 pr

CREATING THE TOTAL ELECTRIFICATION STEERING COMMITTEE TO ACCELERATE THE NATIONAL TOTAL ELECTRIFICATION

WHEREAS, Republic Act (RA) No. 9136 titled "Electric Power Industry Reform Act of 2001" (EPIRA) declares the policy of the State to ensure and accelerate the total electrification of the country and ensure the quality, reliability and affordability of the supply of electric power;

WHEREAS, the EPIRA empowers the Department of Energy (DOE), among others, to:

- Formulate policies for the planning and implementation of a comprehensive program for the efficient supply and economical use of energy consistent with the approved national economic plan and with the policies on environmental protection and conservation and maintenance of ecological balance, and provide a mechanism for the integration, rationalization, and coordination of the various energy programs of the Government;
- Prepare and update annually a Power Development Plan (PDP) and integrate
 the same into the Philippine Energy Plan. The PDP shall consider and
 integrate the individual or joint development plans of the transmission,
 generation, and distribution sectors of the electric power industry, which are
 submitted to the DOE;
- 3. Ensure the reliability, quality and security of supply of electric power;
- Encourage private sector investments in the electricity sector and promote development of indigenous and renewable energy sources to facilitate and encourage reforms in the structure and operations of distribution utilities for greater efficiency and lower cost; and
- 5. In consultation with other government agencies, promote a system of incentives to encourage industry participants, including new generating companies and end-users to provide adequate and reliable electric supply.

WHEREAS, on 24 May 2018, the DOE issued Department Order (DO) No. DO2018-05-0010 titled "Creation of a Task Force to Ensure Access to Electricity for Communities that Remain Unserved and Underserved by Distribution Utilities" for the purpose of ensuring access to electricity for the communities that remained unserved and underserved by the distribution utilities as mandated by their respective franchises, the said Task Force was named "Task Force E-Power Mo" (TFEM);

WHEREAS, on 09 December 2021, the Office of the President issued Executive Order (EO) No. 156 Series of 2021 titled "Instituting Measures to Ensure Consistent and Reliable Electricity Service in Inadequately Served Areas, Improve Performance of Ineffective DUs, and Achieve Total Electrification of the Country" mandating the

DOE to identify unviable, unserved, underserved and poorly served areas within the franchise areas of the DUs and formulate mechanism and plans and program including the procedures for the participation of the concerned stakeholders and entities to address the electrification access of the same:

WHEREAS, on 21 February 2022, the DOE issued DO2022-02-0002 titled "Implementing Framework of EO No. 156 Series of 2021" revoking DO2018-05-0010 and creating the EO 156 Composite Team and Technical Working Group, respectively, mandated specifically to identify the unviable, unserved, underserved, and poorly served areas the soonest possible and accordingly identified the corresponding action plan in connection thereto based on the Comprehensive Electrification Master Plan (CEMP) and other related and pertinent documentations and to complete the framework and process in the takeover of ailing electric cooperatives within two (2) months;

WHEREAS, on 21 January 2022, RA No. 11646 titled "The Act Promoting the Use of Microgrid Systems to Accelerate the Total Electrification of Unserved and Underserved Areas Nationwide" or the "Microgrid Systems Act" (MGSA) was issued by President Rodrigo Duterte which took effect on 09 February 2022;

WHEREAS, on 24 May 2022, the DOE issued Department Circular No. DC2022-05-0017 entitled "Rules and Regulations to Implement Republic Act No. 11646 (Microgrid Systems Act) which took effect on 25 June 2022;

WHEREAS, to effectively implement the various issuances, the DOE recognizes the need to organize a new steering committee dedicated to supervise and provide directions in the implementation of various plans and programs for the provision of electricity access to communities that are identified as unserved and underserved by DUs and other responsible entities.

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

SECTION 1.CREATION AND COMPOSITION OF THE TOTAL ELECTRIFICATION STEERING COMMITTEE (TESC). There is hereby created a TESC to serve as oversight body in formulating and consolidating various programs and activities that will allow full access to electricity of communities that are identified as unserved and underserved by DUs and other responsible entities. The TESC shall be composed of the following:

Chairman

DOE Undersecretary for Electric Power Industry /

DOE Assistant Secretary for Electric Power Industry (Alternate)

Members

National Electrification Administration (NEA) Administrator or

His/her Authorized Deputy Representative

National Power Corporation (NPC) President and CEO or his/her

Authorized Deputy Representative

National Transmission Corporation President and CEO or his/her

Authorized Deputy Representative

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SECTION 2. RESPONSIBILITIES OF THE TESC

Under the direct supervision of the DOE Secretary, the TESC shall perform the following functions and responsibilities:

- 2.1 Supervise and provide directions in the formulation of the National Total Electrification Roadmap (NTER). The NTER shall be the consolidation of the Local Total Electrification Roadmap (LTER) of DUs nationwide which include areas declared as unserved and underserved areas, in accordance with MGSA and its Implementing Rules and Regulations (IRR);
- 2.2 Recommend for the Secretary's approval the NTER;
- 2.3 Monitor and conduct periodic review of the implementation of the NTER and direct adjustments as necessary, to consider, among others, demographic changes, new approaches to electrification and identification of alternative support to expand energy access;
- 2.4 Provide timely resolution of policy gaps and implementation issues affecting the achievement of total electrification target; and
- 2.5 Perform other functions as may be directed by the DOE Secretary.

For the effective disposition of its functions, the TESC may coordinate with agencies, invite resource persons, and conduct such other activities necessary during formulation and updating of the NTER.

SECTION 3. CREATION OF THE TESC-TECHNICAL WORKING GROUP (TWG)

The TESC shall be supported by a TWG with the following composition:

Chairman

: DOE Electric Power Industry Management Bureau (EPIMB) Director

Co-Chair

: NEA Deputy Administrator for Technical Services

NPC Corporate Affairs Group Vice President

Members

: DOE Renewable Energy Management Bureau Director

DOE Legal Services Director

DOE Energy Policy and Planning Bureau Director

DOE Financial Services Director

DOE Field Office Directors

NEA Total Electrification and Renewable Energy Department Head

NEA Corporate Planning Department Manager NPC Power Engineering Services Vice President

Secretariat

: DOE EPIMB - Rural Electrification Administration and Management

Division

Representatives from other government agencies may be invited as resource persons as may be required by TESC.

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SECTION 4. RESPONSIBILITIES OF THE TESC-TWG

The TESC-TWG shall be established to provide technical support to the TESC. It shall perform the following responsibilities:

- 4.1. Formulate the NTER in consultation with concerned agencies and offices;
 - 4.1.1. Prepare, evaluate and endorse the list of areas to be declared Unserved and Underserved to the TESC for its review and endorsement to the DOE Secretary for approval;
 - 4.1.2. Review and recommend appropriate electrification projects solution based on the submitted LTERs of the DUs;
 - 4.1.3. Recommend to the TESC the specific projects to be funded under Section 8 of this DO:
 - 4.1.4. Endorse the NTER to the TESC for approval and publication;
 - 4.1.5. Initiate development of efficient monitoring of the accomplishments of the NTER to be reported to the DOE Secretary on a quarterly basis; and
 - 4.1.6. Conduct annual review of the different strategies and electrification programs and recommend improvements and/or development of new policy, as needed.
- 4.2. Monitor the implementation of the NTER, including the compliance of the DUs with the requirements and implementation of the RA 11646 and its IRR, accomplishments and output of each electrification program component:
- 4.3. Conduct regular evaluation/assessment of the program to identify and address issues affecting the implementation of the NTER;
- 4.4. Meet on a quarterly basis or as may be required to discuss the progress of the implementation of the NTER; and
- 4.5. Perform other functions as may be assigned by the TESC.

SECTION 5. TECHNICAL AND SECRETARIAT SUPPORT

The EPIMB - Rural Electrification Administration and Management Division is hereby designated to provide technical and administrative support during the conduct of the regular and special meetings of the TESC and TESC-TWG.

SECTION 6. REGULATORY SUPPORT

The Energy Regulatory Commission (ERC) shall ensure the provision of support in the regulatory requirements and approval consistent with the policies set forth under this DO and in accordance with existing laws and procedures.

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The TESC may invite the ERC as a Resource Person whenever clarification questions involving the Commission arise.

SECTION 7. REPORTORIAL REQUIREMENTS

The TESC shall submit to the DOE Secretary the approved NTER within thirty (30) calendar days prior to its posting and publication on the DOE website, as stated in Section 5.5, Part II of DC No. DC2022-05-0017 of the IRR of the Microgrid Systems Act.

SECTION 8. FUNDING

The budgetary requirements for the implementation of this DO shall be sourced from the electrification program of the approved budgets of the DOE and its attached agencies, subject to the usual government accounting and auditing rules and regulations.

SECTION 9. COORDINATION WITH THE ERC

The TESC is tasked to coordinate with ERC with respect to its mandates under RA11646 and its IRR.

SECTION 10. REPEALING CLAUSE

Given that all responsibilities assigned to the DOE EO 156 Composite Team were already part of responsibilities of the TESC, DO No. DO2022-02-0002 is expressly repealed and all previous DOs, memoranda and issuances that are inconsistent with this DO are hereby suspended, revoked, and/or nullified.

SECTION 11. EFFECTIVITY

This DO shall take effect immediately.

Issued this <u>21 st</u> day of December 2022 at the DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City.

RAPHAEL P.M. LOTILLA Secretary

