



Department Circular No. DC 2025 - 12 - 0029

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**ADOPTING THE OPEN AND COMPETITIVE SELECTION PROCESS IN THE
AWARD OF RENEWABLE ENERGY SERVICE CONTRACTS, AND CREATING
THE REVIEW AND EVALUATION COMMITTEE**

WHEREAS, Republic Act (RA) No. 7638, as amended, otherwise known as “The Department of Energy Act of 1992”, mandates the Department of Energy (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, RA No. 9513 or the “Renewable Energy Act of 2008” encourages the accelerated development of renewable energy (RE) resources, while its Implementing Rules and Regulations (IRR), as amended by Department Circular No. DC2022-11-0034,¹ authorizes Filipino and/or foreign citizens or Filipino and/or foreign-owned corporations or associations to enter into Renewable Energy Service or Operating Contracts, subject to certain exceptions;

WHEREAS, Sections 18, 36, and 47 and 57 of DC No. DC2024-06-0018² directed the Department to issue specific guidelines for the conduct of, and award of Renewable Energy Service Contracts (RESC) under Open Competitive Selection Process (OCSP);

WHEREAS, Sections 17, 35, 46 and 56 of DC2024-06-0018, requires the DOE to identify Pre-Determined Areas (PDA) for hydropower, geothermal, onshore and offshore wind resources, to be offered through the OCSP to facilitate its development and utilization towards addressing the energy supply requirements of the Philippines.

WHEREAS, the DOE reiterates and acknowledges the need to continue adopting a transparent and competitive system of awarding RESC for the exploration, development and utilization of RE resources

NOW, THEREFORE, for and in consideration of the foregoing premises, the following guidelines in the selection, evaluation and awarding of RESCs through OCSP are hereby adopted and promulgated for compliance by all concerned:

¹ “Prescribing Amendments to Section 19 of Department Circular No. DC2009-05-0008, Titled, Rules and Regulations Implementing Republic Act No. 9513, Otherwise Known as ‘The Renewable Act of 2008’,” 15 November 2022.

² “Revised Omnibus Guidelines Governing the Award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers,” 04 June 2024

Section 1. Scope of Coverage. This Circular shall govern the selection process in the awarding of RESCs through the OCSP and provides for the creation of the Review and Evaluation Committee.

Section 2. Policies in the Conduct of Selection Process in Awarding RESCs. The selection process in the awarding of RESCs to qualified RE Applicants shall be conducted in a transparent, open, competitive and expeditious manner.

Section 3. Creation of the Review and Evaluation Committee (REC). The REC is hereby constituted to carry out the duties and responsibilities set forth in this Circular. The REC shall be composed of the following:

- Chairperson** : Undersecretary supervising the Renewable Energy Management Bureau (REMB)
- Vice-Chairperson** : Assistant Secretary supervising the REMB
- Members** :
 - : Director of REMB
 - : Director of Legal Services
 - : Director of Financial Services
 - : Director of Information and Technology Management Services

Section 4. REC Technical Working Group (TWG) and Secretariat. The REC-TWG and Secretariat shall assist the REC in all activities related to the OCSP and shall be composed of the following:

- Head** : Assistant Director of REMB
- Members** :
 - : Chief, Geothermal Energy Management Division (GEMD)
 - : Chief, Hydropower and Ocean Energy Management Division (HOEMD)
 - : Chief, Wind Energy Management Division (WEMD)
 - : Chief, Renewable Energy Legal Services Division (RELSD)
 - : Chief, Renewable Energy Resources Compliance Divisions (RERCD)
- Secretariat** : Supervising Science Research Specialist and staff of GEMD, HOEMD and WEMD

Section 5. Duties and Responsibilities of the REC. To implement this Circular, the REC shall have the following duties and responsibilities:

- 5.1 Examine, evaluate and review the completeness of applications of RE Applicants to participate in the OCSP, including their legal, technical, and financial qualifications and/or capabilities;
- 5.2 Resolve any objections raised by RE Applicants on the REC's findings involving their legal, technical and financial qualifications and/or capabilities, including Motions for Reconsideration filed by the RE Applicant/s, or any other issues that may arise in the conduct of the OCSP;
- 5.3 Recommend to the Secretary the award and issuance of an RESC in favor of the RE Applicant with the highest rank among multiple applicants, or to the sole RE Applicant which is legally, technically, and financially qualified;
- 5.4 Address any questions and inquiries that may be raised by the Secretary in connection with any endorsement to award RESCs, or any other actions, resolutions or proceedings of the REC;
- 5.5 Other functions that the Secretary may delegate to the REC and additional tasks that may be deemed necessary to carry out its responsibilities and objectives.

Section 6. Determination of Pre-determined Area (PDA). REMB shall identify and nominate areas for development with respective location maps and technical descriptions. These nominated areas will then be endorsed the REMB Supervising Assistant Secretary and Undersecretary and approved by the Secretary as PDAs.

Section 7. Eligibility Criteria for RE Applicants

- 7.1 The RE Applicant may be a Filipino and/or a foreign citizen, or a Filipino-and/or foreign-owned corporation or association duly authorized by its articles of incorporation to engage in RE exploration, development and utilization, subject to the limitations provided by applicable laws.
- 7.2 The appropriation of water, direct from its natural source, shall be reserved to Filipino citizens or to corporations or associations at least sixty percent (60%) of whose capital is owned by Filipinos.
- 7.3 The RE Applicant for a Geothermal Service Contract (GSC) must be a Filipino citizen and/or a Filipino corporation with at least sixty percent (60%) of its capitalization owned and controlled by Filipinos.
- 7.4 In case the RE Applicant is a joint venture or consortium, the partners of the joint venture or members of the consortium shall organize themselves as a corporation under the Revised Corporation Code of the Philippines, or secure the appropriate license from the SEC, in case the joint venture or consortium was incorporated outside of the Philippines; *Provided*, That the incorporated joint venture or consortium applying for an RE

Service/Operating Contract involving activities reserved to Filipino citizens or to corporations or associations at least sixty percent (60%) of whose capital is owned by Filipinos, shall comply with the nationality requirements under applicable laws, including the Commonwealth Act No. 108 as amended by Presidential Decree No. 715, otherwise known as the "Anti-Dummy Law," on the appointment of officers of the corporation.

Section 8. Application, Evaluation, Selection and Awarding Procedures. The application, evaluation and awarding procedures of RESCs shall be provided under the Terms of Reference (TOR). The DOE shall issue a Notice of Bidding with the TOR for every OCSP round. The Notice of Bidding shall be published in at least two (2) newspapers of general circulation. The same invitation shall likewise be posted on the DOE website together with the schedule of the Pre-bid Conference.

Section 9. Criteria for Selecting the Highest Ranked Applicant. An RE Applicant shall submit complete documents as provided for under the TOR pertaining to the following criteria, to wit:

- i. Legal Qualification
- ii. Work Program
- iii. Technical Qualification
- iv. Financial Qualification

In case of two (2) or more applicants over the same area, the highest ranked applicant who meets the legal, technical and financial requirements shall be selected.

Section 10. Failure of OCSP. The OCSP, with respect to any or all PDAs covered, shall be declared a failure when any of the following circumstances exists:

- 10.1 No RE Application was received by the DOE within the period allotted;
- 10.2 No RE Application passed the legal requirements; or
- 10.3 One or more RE Applications satisfy the legal requirements, but none meet the technical or financial requirements upon evaluation of the technical and financial proposals.

In any of the foregoing cases, the PDA shall be opened for Direct Applications. To initiate the change of mode of awarding RE Contracts from OCSP to Direct Application for the affected areas, the DOE shall specify in the announcement of the OCSP results the PDA/s that will be opened for Direct Application, indicating thereat the commencement date of the new application process.

Section 11. Separability Clause. If for any reason, any provision of this Circular is declared unconstitutional or invalid by a court of competent jurisdiction, the other parts or provisions not affected thereby shall remain in full force and effect.

Section 12. Repealing Clause. All DOE issuances that are inconsistent with the provisions of this Circular are hereby repealed, amended, superseded or modified accordingly.

Section 13. Effectivity. This Circular shall take into effect fifteen (15) days following its publication in at least two (2) newspaper of general circulation. Copies of this Circular shall be filed with the University of the Philippines Law Center – Office of the National Administrative Register.

Issued this DEC 22 2025 at Taguig City, Metro Manila.


SHARON S. GARIN
Secretary

