



DEPARTMENT ORDER NO. DO 2024-04-0003 *du*

PRESCRIBING THE FRAMEWORK AND GUIDELINES FOR THE PROCESSING OF APPLICATIONS FOR CERTIFICATE OF ENERGY PROJECTS OF NATIONAL SIGNIFICANCE (CEPNS)

WHEREAS, Republic Act (RA) No. 7638, otherwise known as the *Department of Energy Act (DOE) Act of 1992*, declares it as the policy of the State to ensure a continuous, adequate, and economic supply of energy with the end in view of ultimately achieving self-reliance in the country's energy requirements through the integrated and intensive exploration, production, management, and development of the country's indigenous energy resources, and through the judicious conservation, renewal and efficient utilization of energy to keep pace with the country's growth and economic development and taking into consideration the active participation of the private sector in the various areas of energy resource development; and to rationalize, integrate, and coordinate the various programs of the Government towards self-sufficiency and enhanced productivity in power and energy without sacrificing ecological concerns;

WHEREAS, RA 9136, otherwise known as the *Electric Power Industry Reform Act of 2001* or EPIRA, mandates the DOE 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; following the restructuring of the electricity sector, to encourage private sector investments in the electricity sector and promote development of indigenous and renewable energy sources; 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; and to exercise supervision and control over all government activities relative to energy projects to attain the goals embodied in RA 7638;

WHEREAS, RA 9513, otherwise known as the *Renewable Energy (RE) Act of 2008*, declares the policy of the State, among others, to accelerate the exploration and development of RE resources to achieve energy self-reliance, through the adoption of sustainable energy development strategies to reduce the country's dependence on fossil fuels and thereby minimize the country's exposure to price fluctuations in the international markets, the effects of which spiral down to almost all sectors of the economy; and establish the necessary infrastructure and mechanism to carry out the mandates specified in RA 9513 and other existing laws;

WHEREAS, RA 8479, otherwise known as the *Downstream Oil Industry Deregulation Act of 1998*, provides that the State shall promote and encourage the entry of new participants in the downstream oil industry, and introduce adequate measures to ensure the attainment of these goals;

WHEREAS, Department Circular (DC) No. DC2024-01-0007, otherwise known as "*Adopting the Amended Rules and Regulations Governing the Philippine Downstream Natural Gas (DNG) Industry*", provides for the revised regulatory framework for the downstream natural gas industry, wherein it is a policy of the State to ensure the compliance of DNG industry product facility standards and best practices on Health, Safety, Security, and Environment (HSSE), and other applicable rules and regulations under a system of safe, secure, high quality, environmentally responsible operations and services that afford protection to consumers and industry stakeholders. The Circular also provides, among others, the requirements for the issuance of permits to operators for the siting, construction, operation and maintenance, modification, expansion, rehabilitation, decommissioning and abandonment of DNG facilities;

WHEREAS, Presidential Decree (PD) No. 87, otherwise known as the *Oil Exploration and Development Act of 1972*, declares it as a policy of the State to hasten the discovery and production of indigenous petroleum through the utilization of government and/or private resources, local and foreign, under the arrangements embodied in therein which are calculated to yield the maximum benefit to the Filipino people and the revenues to the Philippine Government for use in furtherance of national economic development, and to assure just returns to participating private enterprises, particularly those that will provide the necessary services, financing and technology and fully assume all exploration risks.

WHEREAS, PD 972, otherwise known as the *Coal Development Act of 1976*, provides that, to develop, achieve and implement a well-planned, systematic and meaningful exploration, development, exploitation and production of local coal resources, participation of the private sector with sufficient capital, technical and managerial resources must be encouraged and the technical and financial capabilities of the coal industry upgraded;

WHEREAS, RA 11697, otherwise known as the *Electric Vehicle Industry Development Act*, provides for the policy of the State to provide an enabling environment for the development of electric vehicles; promote and support innovation in clean, sustainable, and efficient energy to accelerate social progress and human development by encouraging public and private use of low emission and other alternative energy technologies; promote inclusive and sustainable industrialization while recognizing the role of the private sector in order to support the transition to new technologies, generate jobs, spur small and medium enterprise growth, attract investments, grow globally competitive and innovative industries, and upgrade the country's participation in regional and global value chains, consistent with the Philippine Development Plan and the country's international obligations under the United Nations Sustainable Development Agenda;

WHEREAS, Executive Order (EO) No. 30, series of 2017, titled "*Creating the Energy Investment Coordinating Council (EICC) in Order to Streamline the Regulatory Procedures Affecting Energy Projects*," was issued on 28 June 2017;

WHEREAS, on 17 October 2017, the DOE issued Department Order (DO) No. DO2017-10-0012, titled "*Designation of DOE Representatives to the [EICC] As Provided in EO No. 30, Series of 2017, Otherwise Known as 'Creating the EICC in Order to Streamline the Regulatory Procedures Affecting Energy Projects'*"; on 25 April 2018, DC No. DC2018-04-0013, or the "*Implementing Rules and Regulations of [EO] No. 30, Series of 2017, Creating the [EICC] In Order to Streamline the Regulatory Procedures Affecting Energy Projects*"; and, on 25 April 2018, DO No. DO2018-04-0008, otherwise known as "*Operationalizing the Procedures for the Effective and Efficient Implementation of [EO] No. 30, Series of 2017*,"

Creating the [EICC] In Order to Streamline the Regulatory Procedures Affecting Energy Projects”;

WHEREAS, the EICC, under EO 30, is envisioned to spearhead and coordinate national government efforts to harmonize, integrate and streamline regulatory processes, requirements and forms relevant to the development of energy investments in the country, primarily with regard to Energy Projects of National Significance (EPNS), to uphold transparency and accountability among concerned agencies;

WHEREAS, RA 11234, otherwise known as the *Energy Virtual One-Stop Shop (EVOSS) Act*, which was signed into law on 8 March 2019, declares it as State policy to recognize the indispensable role of the private sector in power generation, transmission, and distribution by attracting new power generation, transmission, or distribution projects through an improved ease of doing business index, and reducing high transaction costs associated with copious requisites for proponents; ensure transparency and accountability in the process of approving power generation, transmission, or distribution projects, and deliver efficient and effective service to the public by ensuring timely completion of power generation, transmission, or distribution projects by eliminating duplication, redundancy, and overlapping mandates in documentary submissions and processes by supplying an online platform for government agencies to coordinate and share information;

WHEREAS, the implementation of EO 30 from 2017 to 2020 resulted in the granting of Certificate of EPNS (CEPNS) to 149 energy projects with a total estimated investment cost of PhP795 Billion, of which 133 are in the commerciality stage while 16 are in the pre-development stage. Based on the monitoring reports submitted by EPNS proponents, 52 out of the 133 projects in the commerciality stage have secured all their permits, while 4 out of the 16 pre-development projects have completed all their permits. All others are in varying stages of permit applications, with 40 EPNS (3 in pre-development and 37 in the commerciality stage) reporting no permits granted. Out of the 149 EPNS, 57 are transmission projects that are in the commerciality stage;

WHEREAS, as contained in its 10 December 2020 Advisory, the DOE suspended the issuance of the CEPNS to allow the evaluation of the CEPNS effectiveness in terms of securing regulatory permits, licenses, endorsements, and other requirements relevant to the timely development and completion of EPNS;

WHEREAS, the EVOSS System has currently integrated 51 regulatory processes relative to power generation, transmission, or distribution projects. There are 71 processes for incorporation and 36 processes for integration of their systems into the EVOSS System;

WHEREAS, since EO 30 remains in full force and effect and the EVOSS System is still undergoing full integration and enrollment of necessary permitting processes in energy projects, the EPNS process application will be an effective avenue for the fast-tracking of energy projects to achieve the objectives of the Philippine Energy Plan (PEP) to ensure the quality, reliability, affordability and adequacy of supply of electric power in the country, until full transition to the EVOSS;

WHEREAS, on 31 October 2023, the DOE issued an Advisory, with respect to the renewed issuance of the CEPNS, in addition to current mechanisms and platforms under existing laws, rules and regulations to further streamline the processing of permitting and licensing of energy projects and thereby ensure their timely implementation;

WHEREAS, Section 23 of RA 7638 states that, upon the request of the DOE or any of its bureaus, all government agencies with functions relative to the approval of the projects of the DOE or its duly authorized and endorsed entities, whether government or private, shall act upon and resolve the matter within the time frames provided by applicable laws;

NOW, THEREFORE, for and in consideration of the foregoing premises, the DOE hereby redefines, revises and redesigns the CEPNS framework and procedures, as follows:

Section 1. General Principles. – The processing and issuance of the CEPNS shall be governed by the following principles:

- a. The CEPNS shall be issued to energy projects that are found to have significant impact on the country's energy sufficiency, security, reliability and stability, economic development, technological progress, and environmental protection;
- b. The CEPNS shall be issued by the DOE to facilitate and fast-track the issuance of permits and clearances as requirements from the different concerned government agencies and instrumentalities for energy projects;
- c. Certified EPNS shall be given priority and expedited process by the permitting agencies and authorities, including Government-Owned or Controlled Corporations (GOCCs), Local Government Units (LGUs), and other entities involved therein, pursuant to EO 30; and
- d. The permitting processes of EPNS shall be governed by the timelines prescribed under the EVOSS Act, other existing laws, and, where applicable, EO 30.

Section 2. Scope and Coverage of EPNS. – The major energy projects which may be identified and certified as EPNS by the DOE shall be those found under the PEP or which are consistent with the policy thrusts and goals specified therein for:

- a. Exploration, development, production, utilization, commercialization and application of energy resources, either conventional or non-conventional, in the upstream and downstream sectors, including their associated facilities and processes. For the avoidance of doubt "associated facilities" shall refer to any or all equipment, facilities, infrastructure and other fixtures that are attached to, connected with, or are integral to the energy project;
- b. Power generation, transmission, distribution, and ancillary services, particularly those required to maintain grid stability and security and will support distribution load growth and the energy transition goals;
- c. Development and promotion of electric vehicles, alternative energy sources, and technologies and their application; or
- d. All other energy projects, programs and endeavors identified by the DOE.

Section 3. Attributes to be Certified as an EPNS. – In addition to Section 2, the DOE shall certify an energy project as EPNS where such project has the following attributes:

- a. Significant capital investment of at least PhP3.5 Billion;

- b. Significant contribution to the country's economic development; *Provided*, That this pertains to the potential of the project to promote greater access to energy and energy supply security of the country;
- c. Significant consequential economic impact, which pertains to the potential of the project to generate jobs, employment, and increased revenue for the government, among others;
- d. Significant potential contribution to the country's balance of payment, wherein the project can contribute to the inflow of foreign investment capital;
- e. Significant impact to the environment such that the project has potential to contribute to sustainability with minimal adverse effects to the environment;
- f. Significant complex technical processes and/or engineering designs, wherein the project involves newly developed or pioneering energy systems and/or technologies;
or
- g. Significant infrastructure requirement, where the associated infrastructure is necessary for the delivery of energy services and/or supply, such as, but not limited to, transmission and distribution networks, and other related capital expenditures.

It is the responsibility of the CEPNS applicant to ensure the submission of all necessary supporting documents to meet the foregoing attributes.

Section 4. Automatic Qualification to CEPNS. – Subject to the submission of the CEPNS application, the following energy projects are automatically qualified for CEPNS:

- a. Renewable Energy generation projects that are eligible under the Feed-In Tariff (FIT) system, have been declared as winning bids in the Green Energy Auction Program (GEAP), or have been selected pursuant to other policies and programs of the DOE;
or
- b. Supports the Energy Transition Goals, as provided in the PEP or other plans, programs and policies of the DOE.

Section 5. Rights under the CEPNS.

- a. *Expedited Timeline.* The CEPNS entitles the project to a processing time pursuant to the periods prescribed by the EVOSS Act or EO 30, as applicable, upon submission of the complete documentary requirements to the relevant agencies and entities in the permitting process of energy projects.
- b. *Prioritized and Simultaneous Processing of Permits and Other Requirements.* The CEPNS entitles the project to be processed expeditiously, without awaiting the action of other government agencies involved in the processing if such other agencies' action is a precondition or a requirement for processing.
- c. *Presumption of Issuance.* A government agency shall act on the presumption that a holder of the CEPNS, applying for a permit with the said government agency, has

been issued all relevant permits from other government agencies. Such presumption extends only insofar as the permitting process with the said government agency is concerned. The CEPNS holder is required to comply, and the relevant government agencies retain the right to enforce compliance with existing laws, rules and regulations.

- d. *Right to an Explained Denial.* Upon a determination of any defect or lapses in the substance and form of submitted documents, a CEPNS holder shall be notified and given appropriate time to take the necessary measures to rectify the same.

In the denial of any application, the government agency shall provide the CEPNS holder a written explanation which shall sufficiently provide the reasons or grounds thereof.

- e. *Inclusion of Associated Facilities.* The rights under a CEPNS shall extend to the associated infrastructure of the CEPNS.
- f. *DOE Endorsement.* The CEPNS shall be equivalent to the endorsement of the DOE for the permitting by government agencies of energy projects.

Section 6. Receipt of Complete Submission and Initial Assessment. – All CEPNS applications shall be submitted to the DOE Investment Promotion Office (IPO).

The applicant shall complete the CEPNS application form, attached herein as **Annex “A”**, and shall attach all the necessary documents in support of all the information in the said form. The CEPNS application form, with supporting documents, shall be submitted with a cover letter expressing the applicant's intent to apply for a CEPNS, citing the attribute(s), and listing all attachments to the application.

Within two (2) working days from receipt thereof, the IPO shall check whether the CEPNS application form is duly accomplished. This includes whether the CEPNS applicant has submitted complete documentary requirements in support of its CEPNS application. An accomplished application form without any supporting documents shall not be processed.

If the IPO determines the application to be complete, the IPO shall refer the CEPNS application, within the 2-day period, to the appropriate bureau, as detailed in Section 7 herein, for technical evaluation. Otherwise, the IPO shall return the application to the CEPNS applicant, citing reasons thereof.

Section 7. Technical Evaluation. – The following bureaus, based on the technology and other technical considerations of the energy project, shall evaluate the attribute(s) claimed in the CEPNS application in accordance with Section 3 of this Order:

- a. Energy Resource Development Bureau (ERDB) for Upstream Conventional Projects, and exploration and development of new and emerging technologies;
- b. Renewable Energy Management Bureau (REMB) for RE projects;
- c. Oil Industry Management Bureau (OIMB) for Downstream Conventional Projects. Applicants for various permits and licenses under DC No. DC2024-01-0007 may apply for CEPNS;

- d. Electric Power Industry Management Bureau (EPIMB) for Electric Power Projects. These shall pertain to energy projects for power generation, transmission, and distribution; and
- e. Energy Utilization Management Bureau (EUMB) for electric vehicles, and the distribution of alternative and/or new and emerging energy sources and technologies.

In the conduct of the evaluation, the said bureaus shall primarily assess whether the submitted documents are consistent with or are supportive of the attribute(s) used as justification for the issuance of the CEPNS. The concerned bureau may refer to **Annex "B"**, as attached in this Order, for a non-binding guide, subject to the primacy of technical considerations that it may find appropriate and necessary in the conduct of the evaluation. In case the submitted documents are insufficient either in form or substance, the technical bureau shall endorse the denial of the application, citing the insufficiency of the submissions, without prejudice to the re-application by the CEPNS applicant for the same project.

The concerned bureau may request the assistance of other related technical bureaus, the Financial Services (FS) and/or Legal Services (LS), depending on the nature of the application, the attributes claimed and supporting documents. The referred technical bureau shall still be the unit that shall submit the endorsement.

The concerned technical bureau shall forward its evaluation and recommendation on the CEPNS application to the IPO, within seven (7) working days from receipt of the referral. Should LS, FS or other bureaus be consulted or coordinated, the maximum period for technical evaluation will be ten (10) working days. The timelines herein shall be on a per-project basis.

Section 8. Issuance of CEPNS. – Within five (5) working days from receipt of the endorsement by the concerned technical bureau or from receipt of the complete submission of automatically qualified energy projects under Section 4, the IPO shall commence the process for the Complete Staff Work (CSW) for the issuance of the CEPNS to be signed by the Secretary. The IPO shall include in the CSW the technical evaluation of the concerned bureau. Within two (2) working days from the signing of the CEPNS, the IPO shall issue the CEPNS to the energy proponent.

In case of denial of the application, the IPO shall prepare the letter of denial to be signed by the Undersecretary supervising the IPO, citing the reasons or justifications therein.

Section 9. Non-Transferability of the CEPNS. – The CEPNS is not transferable and shall be exclusive to the energy project applied by the proponent.

Section 10. Amendment of the CEPNS. – The applicant shall submit to the IPO an application for amendment, with cover letter, justifications and supporting documents. An incomplete Application Form, or an Application Form with incomplete supporting documents shall not be processed.

Within two (2) working days from receipt of the request, the IPO shall refer the accomplished Application Form and its attachments to the concerned technical bureau. The technical bureau shall evaluate the request for amendment and submit its recommendation within five (5) working days from receipt of IPO's referral. Based on such recommendation, the IPO

shall process the issuance of the amended CEPNS or the denial of the request pursuant to the timeline indicated in Section 8 of this Order.

Section 11. Reconsideration of Denial. – The CEPNS applicant may file a reconsideration of the denial of its CEPNS application, within five (5) working days from receipt of such decision.

The IPO shall refer the request to the technical bureau that handled such application within one (1) working day from receipt thereof. The concerned technical bureau shall decide on the request for reconsideration within ten (10) working days from receipt of such request.

In case of denial of the reconsideration, the Undersecretary supervising the IPO shall sign such decision. Otherwise, the IPO shall commence the CSW for the reversal of the initial decision and cause the issuance of the CEPNS pursuant to Section 8 of this Order.

The DOE's decision shall be final and no longer be subject to another reconsideration.

Section 12. Validity Period of the CEPNS. – The CEPNS shall be valid until the Commercial Operations Date of the energy project, as submitted by the proponent in its application and reflected in the CEPNS. Upon request by the proponent and subject to the determination of the DOE, the CEPNS may be extended to enable the energy proponent to continue to invoke the rights under the CEPNS and to ensure that the applicable attribute(s), which was the basis of its issuance, will be realized.

Further, the DOE shall post on its website the energy projects that have been issued with a CEPNS.

Section 13. Authority to Suspend or Revoke the CEPNS. – The CEPNS holder shall fulfill all the responsibilities and obligations connected with or are necessary to the attribute attached to the certified energy project or the purpose for which it was certified as EPNS. Otherwise, the DOE may suspend or revoke the CEPNS, after observance of due process.

Section 14. Transitory Provision. – Applications for CEPNS shall be processed in accordance with the rule or guidelines prevailing at the time of complete submission to the DOE.

Within twenty (20) working days from the effectivity of this DO, the DOE, through the Energy Policy and Planning Bureau, shall notify all CEPNS applicants, with applications pending as a result of the DOE Advisory dated 10 December 2020, that they may submit their application under this Order. In the event that no such submission is made, the pending CEPNS application shall be deemed withdrawn without prejudice to a re-application under this DO.

Section 15. Adjustments. – The threshold indicated in Section 3 of this Order shall automatically be adjusted to its present value every five (5) years using the Consumer Price Index (CPI) as published by the Philippine Statistics Authority (PSA), unless adjusted earlier by the DOE.

The DOE may, through an Advisory, update the requirements for CEPNS applications, where necessary and following an evaluation of the implementation of this Order.

Section 16. Separability Clause. – If any section or provision of this Order is declared invalid or unconstitutional, such parts not affected shall remain valid and subsisting.

Section 17. Repealing Clause. – All orders, advisories, or other similar issuances, or parts thereof, which are inconsistent with this Order are hereby revoked, amended, or modified accordingly.

Section 18. Effectivity. – This Order shall take effect immediately and shall remain in effect until otherwise modified or revoked.

Issued on APR 01 2024 at the DOE, Energy Center, Rizal Drive cor. 34th Street, Bonifacio Global City, Taguig City, Metro Manila.


RAPHAEL P.M. LOTILLA
Secretary



Annex "A"

Certificate of Energy Projects of National Significance (CEPNS) Application Form

BASIC INFORMATION	
Name of Project	
Location	
Capacity	
Project Stage	() Development Stage () Commerciality Stage
Target Testing & Commissioning Date	
Target Commercial Operations Date	
Company	
Contact Person	
Contact Number	
ATTRIBUTE(S) FOR CEPNS	
<input type="checkbox"/> 1. Significant capital investment of at least PhP3.5 Billion <input type="checkbox"/> 2. Significant contribution to the country's economic development <input type="checkbox"/> 3. Significant consequential economic impact <input type="checkbox"/> 4. Significant potential contribution to the country's balance of payment <input type="checkbox"/> 5. Significant impact to the environment, <input type="checkbox"/> 6. Significant complex technical processes and/or engineering designs <input type="checkbox"/> 7. Significant infrastructure requirement <input type="checkbox"/> 8. Automatically Qualification Category: _____ <input type="checkbox"/> 9. Amendment of the CEPNS on _____	
JUSTIFICATION FOR CEPNS (site relevant condition/s and explain justification for coverage)	
Attribute No. __: (Write-up) _____ _____ _____ _____	Supporting Documents Attached <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____
Attribute No. __: (Write-up) _____ _____ _____ _____	Supporting Documents Attached <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____
<i>(Please add pages if there are more attributes indicated)</i>	

STATUS OF COMPLIANCE						
Project with: (please check and attach document)	Service Contract ()	Operating Contract ()	Systems Impact Study ()	Certificate of Endorsement ()	Notice to Proceed ()	Others: <hr/> ()
Offtake for power plants, Transmission or Distribution Networks and Gas Projects (Pls check and attach the applicable)	<input type="checkbox"/> Merchant Plant (Please attach WESM Registration)					
	<input type="checkbox"/> Contract, indicate compliance w/ Competitive Selection Process (Please attach Power Supply Agreement)					
	<input type="checkbox"/> Own Use			<input type="checkbox"/> Not Applicable		
	<input type="checkbox"/> Certificate of Endorsement <input type="checkbox"/> System Impact Study <input type="checkbox"/> Engineering Procurement Contract <input type="checkbox"/> Certificate of Endorsement <input type="checkbox"/> Proof of Financial Closing <input type="checkbox"/> System Impact Study <input type="checkbox"/> Notice to Proceed <input type="checkbox"/> Undertaking on Feedstock Supply (MOA, MOU, etc.) for Biomass projects <input type="checkbox"/> Proof of FIT Eligibility <input type="checkbox"/> Notice of Award under the Green Energy Auction Program					
Enumerate deficiencies and planned completion dates (if any):						
Describe specific need/s for CEPNS coverage (Cite relevant agency or office. LGU permit, approval, or action that needs to be addressed)						

ANNEX "B"

REFERENCE FOR EVALUATION OF EPNS ATTRIBUTES

The following serves as a non-binding guide for the technical evaluation of CEPNS applications. The concerned technical bureau shall evaluate the submissions and other considerations that support the invoked attribute of the CEPNS applicant.

- a. Significant capital investment of at least PhP3.5 Billion, wherein the total amount of investment of any CEPNS application should be able to finance the construction, at a **minimum equivalent capacity or activity**, of any of the following:
 - i. 13 MW Nuclear Power Plant;
 - ii. 75 MW Natural Gas Plant;
 - iii. 75 MW Diesel Power Plant;
 - iv. 70 MW Bunker C;
 - v. 13 MW Geothermal Plant;
 - vi. 20 MW Hydropower (run-of-river) Plant;
 - vii. 30 MW Biomass Plant;
 - viii. 70 MW Solar Plant;
 - ix. 38 MW Wind Plant;
 - x. 12 MW Waste-to-Energy (WTE) Project (Direct-combustion);
 - xi. 9 MW WTE Project (Combined Direct-combustion and Anaerobic Digestion);
 - xii. 0.20 Million Tons per Year (MTPY) of Liquefied Natural Gas (LNG) Terminal (can fuel 95 MW of Natural Gas at 85.0 percent capacity factor, or 190 MW at 50.0 percent capacity factor);
 - xiii. 1.70 thousand barrels per day (kbbl) capacity of Oil Refinery; or
 - xiv. US\$64 Million total committed investments for the exploration and/or appraisal period and/or production phase;
- b. Significant contribution to the country's economic development; *Provided*, That this pertains to the potential of the project to promote greater access to energy and energy supply security of the country.

Aside from promoting greater energy supply security and access to energy, a project must contribute to wealth creation for the country through the following:

- i. ER 1-94 Benefits to Host Communities of **at least** PhP22 million annually; and/or,
 - ii. Contribution to National Wealth Tax of **at least** PhP100 million annually;
- c. Significant consequential economic impact, which pertains to the potential of the project to generate jobs, employment, and increased revenue for the government, among others.

A project has the potential to generate jobs quantified by the number of workers employed, and/or contribution to providing greater access to electricity in off-grid areas as follows:

- i. Contribute to local job generation of **at least** 150 workers (during operation including indirect employment) and 1,000 workers during construction;

- ii. Potential for Micro-Grid in areas offered for Micro-Grid Service Providers in unserved and underserved areas, either declared by the DOE or identified by the distribution utility as such, in support of productive use of electricity;
 - iii. Funded by grants of business communities and bilateral or multilateral financial institutions; and/or
 - iv. Investment by LGUs or mandated GOCCs.
- d. Significant potential contribution to the country's balance of payment, wherein the project can contribute to the inflow of foreign investment capital;

A project must have the potential to contribute to the inflow of foreign investment capital and reduction in the country's balance of payments:

- i. **At least 40%** Foreign Investment of total project Investment; and
 - ii. Contribution to reduction of energy imports.
 - a. Equivalent avoidance of **at least or in excess of 2.0 billion** cubic feet of LNG annually;
 - b. Equivalent avoidance of **at least or in excess of 180,000** barrels of oil annually;
- e. Significant impact to the environment, that is, the project has potential to contribute to sustainability with minimal adverse effects to the environment;

A project with the **potential** to contribute to energy infrastructure sustainability and/or with minimal adverse effects to the environment through:

- i. Entry of climate-resilient energy facilities; and,
 - ii. Contribute to the Greenhouse Gas (GHG) emission reduction/avoidance of **at least 200 thousand tons (Kton)** of CO₂ equivalent;
- f. Significant complex technical processes and/or engineering designs, wherein the project involves newly developed or pioneering energy systems and/or technologies;

A project introducing new and emerging energy technologies and/or pioneering energy systems as determined by the following:

- i. Entry of new and emerging energy technologies with higher efficiency factors than existing ones:
 - a. Oil-based at 40.0 percent (existing 25.0 - 40.0 percent);
 - b. Gas Turbine at 40.0 percent (existing 33.0 percent - 38.0 percent);
 - c. CCGT at 60.0 percent (existing 33.0 - 50.0 percent); and
 - d. Biomass 40.0 percent (existing 87.0 - 91.0 percent).
 - ii. Pioneering Projects; or
- g. Significant infrastructure requirement, when the associated infrastructure necessary for the delivery of energy services and/or supply, such as, but not limited to, transmission and distribution networks.

A project with associated infrastructure necessary for the delivery of energy services and supply, which can be realized through the following:

- i. With associated infrastructure, such as alternative transmission corridors and pipeline;
- ii. Government Priority Projects which relate to the delivery of energy services and/or supply; and
- iii. Project completion by the end of the year as required by the energy systems.