



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

DEPARTMENT CIRCULAR NO. DC 2023-05-0013

**IMPLEMENTING GUIDELINES OF EXECUTIVE ORDER NO. 21**

Pursuant to Section 9 of Executive Order No. 21 (EO 21), titled "*Directing the Establishment of the Policy and Administrative Framework for Offshore Wind (OSW) Development*" issued on 19 April 2023, the Department of Energy (DOE), in consultation with concerned stakeholders, hereby issue, adopt and promulgate the following implementing guidelines:

**Section 1. Title.** This Circular shall be known as the "Implementing Guidelines of EO 21" or the "EO 21-IG".

**Section 2. Scope and Application.** This Circular shall provide the necessary guidelines for the effective implementation and execution of EO 21. This shall include, among others, the different development stages of OSW Projects encompassing the corresponding permitting requirements and processes by the Permitting Agencies.

**Section 3. Definition of Terms.** For the purposes of this Circular, the following terms shall be defined as follows:

- (a) **Energy Virtual One-Stop Shop (EVOSS)** refers to the energy virtual one-stop shop established under the EVOSS Act<sup>1</sup>;
- (b) **EVOSS Steering Committee (ESC)** refers to a committee created under the EVOSS Act;
- (c) **EVOSS System** refers to an online system that allows the coordinated submission and synchronous processing of all required data and information and provides a single decision-making portal for actions on applications for permits or certifications necessary for, or related to, an application of a proponent for new power generation, transmission, or distribution projects;
- (d) **Exploration** refers to the activities that include, but are not limited to market, technical, financial, management and socio-environmental studies that must be undertaken by the OSW Developer to determine if the OSW resource is of commercial quantity;
- (e) **Grid** refers to the high voltage backbone system of interconnected transmission lines, substations and related facilities;

<sup>1</sup> Republic Act No. 11234, titled "An Act Establishing the Energy Virtual One-Stop Shop for the Purpose of Streamlining the Permitting Process of Power Generation, Transmission, and Distribution Projects", or the EVOSS Act.

- (f) **Network Service Provider (NSP)** refers to an entity that engages in the activity of owning, controlling, or operating a transmission or distribution system;
- (g) **OSW Development Activities** refers to the activities that must be undertaken to completely develop an OSW Project covering the pre-development, construction and commercial operation stages, as stipulated in Section 4 of this Circular;
- (h) **Offshore Wind Energy Service Contract (OSWESC)** refers to the Renewable Energy (RE) Contract issued and awarded by the DOE for the exploration, development and/or utilization of wind energy in offshore areas, which include estuaries and other bodies of water, as well as Wind Energy Service Contracts awarded in offshore areas prior to the issuance of the EO 21-IG;
- (i) **OSW Developer** refers to a holder of an OSWESC or WESC in offshore areas entered into with the DOE granting exclusive rights to develop an OSW Project within a specific development area/site;
- (j) **OSW Project** refers to a project for the exploration, development and utilization of OSW resources for power generation and other products and uses, such as hydrogen and other by-products derived from OSW Project operations;
- (k) **Permitting Agencies** refers to agencies of the Government or relevant entities that are concessionaires or franchisees of the Government, that issue permits or authorizations relevant to or required for the development of OSW Projects. The list of Permitting Agencies is provided as Annex A of the EO 21; and
- (l) **Whole-of-Government Approach** refers to the approach that integrates and harmonizes the collaborative efforts of the departments and agencies of the Government for the successful development of OSW resources in the country.

**Section 4. OSW Development Activities and other infrastructure requirements.**  
The OSW Development Activities and other infrastructure requirements to be undertaken by the OSW Developer shall include, but are not limited to, the following:

#### **4.1. Pre-Development Stage**

- (a) Permitting and Consenting for Exploration Activities – Upon acquisition of an OSWESC with the DOE, the OSW Developer shall then be obliged to conduct and deliver its work commitments under the approved Work Program. Included therein are the following:
  - i. Acquisition of relevant permits and clearances from concerned Permitting Agencies, such as but not limited to environmental and social impact assessments and clearances, endorsements from agencies that

regulate fisheries, shipping, navigation and security in the Contract Area;  
and

- ii. Permits and clearances needed to avail of the incentives under the RE Act such as Duty-Free Importation Certificate, among others.
- (b) Resource Assessment – Exploration activities of an OSW Developer include the conduct of onsite technical surveys including, but not limited to, wind resource, bathymetry, metocean, geological and hydrographical data collection. The OSW Developer may install structures hosting equipment such as meteorological masts, Light Detection and Ranging and Sound Detection and Ranging devices for the measurement of wind and other atmospheric data. These structures can be floating anchored structures or structures installed on the seabed or deployed onshore near the coastline if feasible and suitable for the identified site.
- (c) Road, Port and Grid Capacity Assessment – Upon availability of preliminary resource assessment, the OSW Developer is also required to conduct an in-depth assessment on the capacity of roads, capability of ports and Grid in its vicinities. Grid assessment shall be undertaken by the NSP, upon application by the OSW Developer, to determine the impact of the OSW Project on the Grid, as well as any required enhancement thereof. The port capacity assessment shall be undertaken by the OSW Developer, in close coordination with the Philippine Ports Authority (PPA), to determine the readiness and necessary upgrades required for the prospective ports. The PPA in consultation with relevant agencies and stakeholders shall formulate a comprehensive “Port Development and Investment Plan” to cater to the requirements of, among others, OSW development. For road capacity assessment and infrastructure requirements, the OSW Developer shall closely coordinate with the Department of Public Works and Highways (DPWH), which shall provide the necessary oversight, infrastructure support and corresponding budget.
- (d) Feasibility Study (FS) – Upon determining the viability of the resource in its Contract Area through the abovementioned studies/assessments, the OSW Developer shall conduct a FS which shall include, among others, the following:
- i. Market study to determine availability of offtake for the OSW Project;
  - ii. Technical study providing the micro-siting, annual energy yield assessment and preliminary engineering design;
  - iii. Financial and economic study providing the financial parameters to determine the commercial viability of the OSW Project; and
  - iv. Social and environmental impact study which summarizes the result of the OSW Developers’ compliance with all the requirements of Permitting Agencies.

- (e) Financial Closing – If the result of the FS suggests that the OSW Project is commercially viable, the OSW Developer will secure financing for the OSW Project.

#### **4.2. Construction Stage**

- (a) Engineering, Procurement and Construction (EPC) Tendering – The OSW Developer has the option to tender an agreement with EPC Contractor/s.
- (b) Permitting and Consenting for Construction and Commercial Operation – The EPC Contractor/s, on behalf of the OSW Developer, shall secure all construction permits with the concerned Permitting Agencies. The OSW Developer shall comply with all the permits and clearances required by Permitting Agencies in order to safely conduct the construction, testing and commissioning, and operation of the OSW Project.
- (c) Construction – The OSW Project shall include the construction/installation of wind turbine generators, substation, submarine cable, transmission line and interconnection facilities, and, if applicable, special-purpose port/jetty, among others.
- (d) Testing and Commissioning - The OSW Project will be tested and commissioned for the commercial operations phase in accordance with existing laws and issuances of the DOE and the Energy Regulatory Commission (ERC), and in compliance with internationally-accepted standards and best practices.

#### **4.3. Commercial Operation Stage**

- (a) Operation and Maintenance - The OSW Developer will operate and maintain the OSW Project as a power generation facility. The OSW Developer shall ensure reliable and safe operations, consistent with the Philippine Grid Code, international best practice, and all other applicable laws, regulations and issuances.
- (b) Decommissioning – At the end of operational life of the OSW Project, the OSW Developer shall, at its own expense, cause the decommissioning and abandonment of the OSW Project in accordance with the approved Abandonment and Termination Plan, in line with international best practice and all applicable local regulations.

**Section 5. Policy and Administrative Framework.** Consistent with Section 2 of EO 21, the DOE shall issue on or before 18 June 2023, the Policy and Administrative Framework for the efficient and optimal development of the country's OSW resources. The said policies and framework for the OSW development shall include the following:

- (a) Streamlined requirements and procedures for OSWESC application, administration and development, which shall be adopted for integration in the Energy Virtual One-Stop Shop (EVOSS) System;

- (b) Adoption of improved terms and conditions, rights and obligations, and templated OSWESC;
- (c) Provision of support and compliance of all Permitting Agencies with their mandates under EO 21 and this EO 21-IG; and
- (d) Any other matters as may be necessary to ensure an efficient and optimal OSW development.

**Section 6. Permits for OSW Development Activities.** Based on the above OSW Development Activities, all Permitting Agencies shall identify the complete list of appropriate permits and clearances, including all requirements, fees and procedures. In the event that a Permitting Agency has jurisdiction over any aspect of OSW development but does not have an existing permitting process, if applicable, it shall formulate a new and suitable process.

Permitting Agencies shall review and revise existing processes, and/or formulate new processes, if necessary, to institute an expedited, streamlined and consistent process for OSW Development Activities permits and clearances.

The Permitting Agencies shall submit to the DOE on or before 18 June 2023, the complete list of the abovementioned processes and requirements, including detailed process flow diagram using the EVOSS format.

The approved processes, requirements and fees of the Permitting Agencies for OSW Development Activities shall be subjected to periodic review every three (3) years or as the need arises.

**SECTION 7: Rationalization of Fees.** All Permitting Agencies shall review and rationalize existing fees and charges on permits for OSW Development Activities. The Permitting Agencies may reduce, adjust or reclassify said fees and charges, taking into account the novelty of the technology and the role of RE in the country's low carbon future.

The Permitting Agencies shall submit to the DOE on or before 18 June 2023, the list of fees and charges for the permits mentioned in Section 6 hereof.

The fees and charges may be adjusted by the Permitting Agencies, at least to its present value every three (3) years using the Consumer Price Index (CPI) as published by the Philippine Statistics Authority (PSA).

**SECTION 8: Whole-of-Government Approach.** For the proper implementation of EO 21, the DOE shall adopt a Whole-Of-Government Approach for the expeditious and reasonable realization of OSW Projects. The DOE shall collate and disseminate to all Permitting Agencies the processes and requirements for OSW Development Activities.

The Department of Interior and Local Government (DILG) shall prescribe and mandate a uniform set of local government unit (LGU) requirements, procedures, permits and fees in relation to OSW Development Activities and the necessary grid interconnection.

**Section 9. EVOSS Integration.** Within thirty (30) days from the submission of the complete list referred to in Section 6 hereof, the DOE shall review the submission and either (a) recommend to the ESC the full integration of the applicable permits in the EVOSS System, or (b) require the Permitting Agency to change or supplement a deficient or incomplete submission within fifteen (15) days from receipt of notice from the DOE.

Permitting Agencies that are not part of the ESC shall nominate at least one (1) representative to act as resource person. Nomination should be submitted to the DOE, as the ESC Secretariat, upon submission of the complete list of appropriate permits. Resource persons shall attend and participate in any meeting upon request of the ESC; submit revisions, clarifications and recommendations related to processes for OSW Development Activities to the ESC; and disseminate all relevant information to their respective offices/services/bureaus.

Within fifteen (15) days upon approval of the ESC, the DILG shall disseminate to all LGUs the approved standard list of requirements, procedures, permits and fees for OSW Development Activities.

The DOE, in coordination with the Permitting Agencies, shall integrate the approved processes into the EVOSS System within a reasonable timeframe. Upon integration, all permitting processes for OSW Projects shall only be done through the EVOSS System, in compliance with the EVOSS Act.

Moreover, to effectively implement the integration in the EVOSS System, the DOE shall conduct intensive information, education and communication campaigns for all Permitting Agencies and OSW Developers regarding the approved processes appropriate for OSW Development Activities and the corresponding user and operation manual of the EVOSS System.

**Section 10. Transmission.** To ensure timely development of the needed transmission facilities for the integration of OSW Projects in the Grid, the DOE shall coordinate with the National Transmission Corporation, ERC, NSP and OSW Developers. The NSP for transmission facilities shall prepare and submit to the DOE an updated Transmission Development Plan for the Grid connection of OSW Projects.


The ERC, within sixty (60) days from issuance of EO 21-IG, shall issue the rules and regulations and update existing rules for the proper implementation of this Section. The rules and regulations and attendant processes shall be integrated in the EVOSS system, in compliance with the EVOSS Act.

**Section 11. Repealing Clause.** Nothing in this Circular shall be construed as to amend, supersede or repeal any of the mechanisms or institutions already existing, or responsibilities already allocated and provided for under any existing laws, rules or contracts.

**Section 12. Separability Clause.** If any section or provision of this Circular is declared unconstitutional or invalid, the remaining provisions or parts thereof shall remain in full force and effect.

**Section 13. Effectivity.** This Circular shall take effect within fifteen (15) days after its publication in two (2) newspapers of general circulation. A copy of this Circular shall be filed with the University of the Philippines Law Center-Office of National Administrative Register.

Signed this \_\_\_\_ day of May 2023 at DOE, Energy Center, Rizal Drive cor. 34<sup>th</sup> Street, Bonifacio Global City, Taguig City, Metro Manila.

  
**RAPHAEL P.M. LOTILLA**  
Secretary



**MAY 18 2023**