

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session



HOUSE BILL NO. **5053**

**AN ACT INSTITUTIONALIZING ENERGY EFFICIENCY AND
CONSERVATION, PROMOTION OF RENEWABLE ENERGY FOR
ENERGY SECURITY, PROVIDING GUIDELINES AND GRANTING
INCENTIVES TO ENERGY EFFICIENCY AND CONSERVATION
PROJECTS, AND FOR OTHER PURPOSES**

Introduced by **REP. HENEDINA RAZON- ABAD**

EXPLANATORY NOTE

Three major realities confront the energy sector at present: steadily increasing demand for energy, high energy costs, and climate change vulnerability. The public clamor to reduce electricity prices through the use of fossil fuels aggravates the environmental impact of power generation. Unmet energy demand adversely impacts on quality of life and the country's competitiveness.

The Philippine Energy Plan (2012-2030) therefore mandates the Department of Energy to ensure energy security and promote a low-carbon future, among others. This policy thrust is consistent with the State Declaration to encourage the efficient use of energy and other modalities of demand side management.

As the Philippines continues to develop renewable energy sources and increase energy supply to meet its growing needs, there is also a need to make sure that energy supply is used in the most efficient manner possible. The National Energy Efficiency and Conservation Program (NEECP) aims to achieve 10% energy savings across energy demand sectors for the period 2012-2030.

The following sectors have posted 99% of total energy demand in the country: transportation, residential, industry, and commercial sectors. A 10% reduction in energy use across these sectors can result in 6,369 kilotons of oil equivalent (KTOE) energy savings and 1,963 megawatts of deferred capacity in the short term until 2016. In monetary terms, the avoided cost will translate to roughly P255 billion (at P38.65/L of bunker fuel) and P173 billion pesos (at \$2

million/MW). This also translates to 12.1 million tons of unreleased CO₂, which can mitigate climate change. Energy efficiency remains the most cost-effective means to reduce greenhouse gas emissions from the energy sector.

The government should aim to make energy efficiency and conservation a way of life to every Filipino. This can be achieved by strengthening institutions: clarifying roles of government both national and local levels, defining obligations of designated establishments, and expanding the pool of energy managers. There should be a clear set of energy performance standards and labeling along with appropriate incentives for significant capital investments. Finally, a market-driven approach should be adopted to ensure sustainability and widespread implementation.

It is for this purpose that this bill is being proposed. In view of the foregoing, the deliberation and early passage of this bill is urgently sought.


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*Be it enacted by the Senate and House of Representatives of the Philippines in Congress
assembled:*

CHAPTER I

GENERAL PROVISIONS

SEC. 1. Short Title. This Act shall be known as the "Energy Efficiency and
Conservation Act of 2014."

SEC. 2. Policy Declaration. It is hereby declared the policy of the State to:

- a) Institutionalize energy efficiency and conservation as a way of life geared
towards energy security by formulating, developing, and implementing
energy efficiency and conservation plans, programs and systems;
- b) Secure sufficiency of energy supply and to protect the environment in
support of the economic and social development goals of the country;
- c) Promote and encourage the development and utilization of household
renewable energy technologies and systems to complement the energy
efficiency and conservation efforts;

1 d) Ensure market-driven approach to energy efficiency, conservation,
2 sufficiency and sustainability in the country.
3

4 **SEC. 3. Purpose.** This Act shall provide the framework for institutionalizing
5 fundamental policies and standards on energy efficiency and conservation, increasing
6 the utilization of household renewable energy technologies, and defining the
7 responsibilities, authorities and accountabilities of various government agencies and
8 private entities.
9

10 **SEC. 4. Coverage.** This Act shall cover the target sectors of household,
11 transport, buildings, industrial/manufacturing, and other electric power consumers
12 in the economy, whether private or public, by virtue of the impact these can create on
13 energy efficiency and conservation efforts.
14

15 **SEC. 5. Definition of Terms.** For purposes of this Act, the following terms
16 shall, unless the context indicates otherwise, have the following meanings:

17 a) ***Certified Energy Conservation Officer (CECO)*** refers to a Professional
18 who becomes eligible for this certification after demonstrating high levels
19 of experience, competence, proficiency and ethical fitness in basic energy
20 management. A CECO shall be required for Type 1 Designated
21 Establishments;

22 b) ***Certified Energy Manager (CEM)*** refers to a Professional who becomes
23 eligible for this certification after demonstrating high levels of experience,
24 competence, proficiency and ethical fitness in advanced energy

management. A CEM shall be required for Type 2 Designated Establishments;

c) ***Demand Side Management*** refers to the reduction of energy consumption, typically achieved through energy efficiency or load management which results in the decrease of power demand or the displacement of demand to off-peak times;

d) ***Designated Establishment (Type 1/Type 2 Designated Establishment)*** refers to an entity in industrial, commercial, transport, and other electric power consumers in the economy consuming energy and/or having other index equivalent to such energy for the previous year beyond the level specified by the Department of Energy (DOE). Such establishments shall be categorized as Type 1 or Type 2 Designated Establishment, according to the annual energy consumption schedule, as follows:

- i. **Type 1** equal or more than 1,000,000 (4,000,000 kilowatt hours of electricity) but not more than 2,000,000 (8,000,000 kilowatt hours of electricity) liters of Oil Equivalent (LOE), and
- ii. **Type 2** equal or more than 2,000,000 (8,000,000 kilowatt hours of electricity) Liters of Oil Equivalent (LOE).

e) ***Energy*** refers to all types of energy available commercially, including natural gas (liquid natural gas and liquid oil gas), all heating and cooling fuels (including district heating and district cooling), coal, transport fuels, and renewable energy sources;

f) ***Energy Audit*** refers to the evaluation of energy consumption and review of current energy cost to determine appropriate intervention measures and efficiency projects in which energy can be judiciously and efficiently

used to achieve savings. The three types of energy audit are walk-through audit, preliminary audit, and detailed audit;

- g) **Energy Conservation** refers to the reduction of losses and wastage in various energy stages from energy production to energy consumption through adoption of appropriate measures that are technologically feasible, economically sound, and environmentally and socially affordable;
- h) **Energy Consumption Report** refers to the periodic report submitted to the DOE by Type 1 or Type 2 Designated Establishments and Transmission Utility containing their energy consumption, loss, and other status of energy use. The items to be included in the Energy Consumption Report shall be specified by the DOE;
- i) **Energy Efficiency** refers to the technologically efficient utilization of energy in its various forms through cost-effective options that result in the use of less energy for the same or higher performance than regular products or energy systems;
- j) **Energy Labeling** refers to the program of the government which requires manufacturers to attach an energy label on their products to inform consumers on the energy performance and efficiency of the product;
- k) **Energy Management** refers to the process of administering and monitoring energy utilization to ensure efficient consumption;
- l) **Energy Supplier** refers to individuals and/or entities providing energy to energy users;
- m) **Energy Users and/or Energy Using Entities** refer to all energy demand sectors such as commercial, industrial, transport, agricultural, household,

1 and government buildings, and the power generation, transmission, and
2 distribution industry sectors;

3 n) **Minimum Energy Performance Standard** refers to a performance
4 standard which prescribes a minimum level of energy performance that
5 appliances, lighting, electrical equipment and machinery must meet or
6 exceed before they can be offered for sale or used for residential,
7 commercial, and industrial purposes;

8 o) **National Sustainable Energy Efficiency and Conservation Coordinating**
9 **Officer** refers to the person appointed by the leagues of the local
10 government units from among the local government's Energy Efficiency
11 Conservation and Sufficiency Officer (EECSO), and who shall be
12 responsible for integrating local energy efficiency, conservation and
13 sufficiency programs;

14 p) **Office of Sustainable Energy Efficiency and Conservation (OSEEC)** refers
15 to the office to be established in local government units headed by the
16 Energy Efficiency Conservation and Sufficiency Officer, which shall be
17 responsible for overseeing the implementation of the program at the local
18 government level;

19 q) **Road Transport Vehicle** refers to brand new passenger cars and other
20 light duty vehicles unless otherwise specified in this Act.

21 r) **Specific Energy Consumption (SEC)** refers to the energy consumption
22 volume required per unit, such as production volume, sales amount,
23 transportation ton-km, transportation km, floor space, and such other
24 indicators to determine energy consumption;

s) **Systems Loss** refers to the difference between the electric energy purchased and generated and the electric energy sold by a Distribution Utility. For purposes of this Act, the term Systems Loss shall consist of the following components: Technical Systems Loss, refers to the loss inherent in the physical delivery of electric energy, including conductor loss, transformer core loss, and technical errors in meters; Non-Technical Systems Loss, refers to energy not related to the physical characteristics of the electrical system, such as pilferage, tampering of meters, and erroneous meter reading; and Administrative Systems Loss, refers to the energy required for the operation of the distribution system and any unbilled energy for community-related activities;

CHAPTER 2

ENERGY PERFORMANCE STANDARDS AND LABELING REQUIREMENTS

SEC. 6. Minimum Energy Performance Standards (MEPS). To ensure appropriate and effective implementation of energy efficiency and conservation, all energy-consuming products, including transport vehicles shall implement the following measures:

a) Manufacturers, importers, distributors, and retailers of appliances, lighting products, transport vehicles and other equipment shall comply with the minimum energy performance standards and energy label requirements set by the Department of Energy;

b) Manufacturers, importers, distributors, and retailers of appliances, lighting products, transport vehicles and other equipment shall subject their energy consuming products to energy performance testing.

1

2 **SEC. 7. High Energy Consuming Equipment and Devices.** To ensure
3 appropriate and effective implementation of energy efficiency and conservation in
4 high energy consuming equipment and devices, manufacturers, importers, suppliers,
5 distributors and retailers engaged in selling the designated products shall provide
6 information such as energy performance and other information that shall contribute
7 to the general consumers' awareness, knowledge, and actions. These information
8 shall be specified under the IRR.

9

10 **SEC. 8. Energy Labeling Requirements for Products and Equipment.** To
11 ensure appropriate and effective implementation of energy efficiency and
12 conservation, the following shall be implemented:

- 13 a) All energy consuming products, devices and, equipment shall have
14 Energy Label displayed.
- 15 b) Manufacturers, importers and suppliers shall provide information that
16 contributes to the general consumers' awareness, knowledge and actions
17 towards energy efficiency and conservation.
- 18 c) Manufacturers, importers and suppliers shall submit product samples to
19 DOE for verification testing.

20

21 **SEC. 9. Fuel Economy Performance for Road Transport Vehicles.** To ensure
22 fuel efficiency for transport, vehicle manufacturers, importers, and dealers shall
23 comply with fuel economy performance labeling requirements set by the DOE. The
24 vehicle manufacturers, importers, and dealers shall provide technical information on

1 fuel economy rating of the engine that will allow the consumer to make an informed
2 decision in choosing the vehicles for their use.

3 **SEC. 10. Energy Performance in Buildings.** To ensure appropriate and
4 effective implementation of energy efficiency and conservation for new and retrofit
5 buildings for commercial and institutional buildings (hospitals, educational facilities,
6 exhibition centers, government offices and military facilities), LGUs shall implement
7 the following measures in accordance with building permit issuances:

8 a) New building construction shall comply with the minimum requirements as
9 contained in the DOE issued Guidelines on Energy Conserving Design on
10 buildings;

11 b) Retrofit of buildings shall also comply with the minimum requirements as
12 contained in the DOE issued Guidelines on Energy Conserving Design on
13 buildings.

14 15 **CHAPTER 3**

16 **OBLIGATIONS OF DESIGNATED ESTABLISHMENTS**

17 This Chapter shall cover designated establishments in the building,
18 industrial/manufacturing, transport and power sectors.

19 **SEC. 12. Type 1 Designated Establishment.** Establishments with an annual
20 energy consumption equal to or more than 1,000,000 Liters of Oil Equivalent (LOE)
21 (4,000,000 kilowatt hours) but less than 2,000,000 Liters of Oil Equivalent (LOE)
22 (8,000,000 kilowatt hours) shall be categorized as Type 1 Designated Establishments
23 and shall include the following sectors: (a) building sector such as commercial, hotel,
24 hospital, educational institutions, office and government buildings;(b)
25 industrial/manufacturing such as food and beverages, plastic, metal fabrication,

1 chemical, and appliance; (c) transport such as railway, road transport, sea freight and
2 passenger vessel, air transport cargo and passenger vessel; and (d) power sectors
3 such as power generation and distribution utilities.

4 Type 1 Designated Establishments shall have the following obligations:

- 5 a) Employ one (1) Certified Energy Conservation Officer (CECO) and duly
6 notify the DOE of said CECO's appointment or separation as soon as
7 possible. The CECO shall manage the energy consumption of facilities,
8 equipment and devices, the improvement and implementation of energy
9 efficiency measures, the conduct of regular energy audit, energy
10 monitoring and control, and the preparation of periodic energy
11 consumption and energy conservation program reports of the
12 establishment;
- 13 b) Keep records on monthly energy consumption data and other energy-
14 related data;
- 15 c) Set up annual targets and plans for the implementation of energy efficiency
16 and conservation projects;
- 17 d) Submit a Semi-Annual Energy Consumption Report (SAECR) and an
18 Annual Energy Conservation Program Report (AECR) to the DOE not later
19 than 30 days after the reference period;
- 20 e) Conduct periodic Energy Audit once every three (3) years through either
21 an in-house energy auditor or by engaging private energy service company
22 or energy provider, and submit Energy Audit Report to the DOE upon
23 completion of the energy audit.

- 1 f) Set up programs to develop and design measures that promote energy
2 efficiency conservation and sufficiency that may include, but not limited to,
3 installation of renewable energy technologies.
4

5 **SEC. 13. Type 2 Designated Establishment.** Energy intensive establishments
6 with an annual energy consumption equal to or more than 2,000,000 Liters of Oil
7 Equivalent (LOE) (8,000,000 kilowatt hours) shall be categorized as Type 2
8 Designated Establishments and shall include the following sectors: (a) building sector
9 such as commercial, hotel, hospital, educational institutions, office and government
10 buildings; (b) industrial/manufacturing such as cement, mining, food and beverages,
11 electronic/semi-conductor, steel and metal, chemical, vehicle, appliance, glass,
12 plastic, and others; (c) transport such as railway, road transport fleet, sea freight and
13 passenger vessel, air transport cargo and passenger vessel; and (d) power sectors
14 such as power generating plants, and distribution and transmission utilities.

15 Type 2 Designated Establishments shall have the following obligations:

- 16 a) Employ one (1) Certified Energy Manager (CEM), and duly notify the DOE
17 of said CEM's appointment or separation as soon as possible. The CEM
18 shall manage the energy consumption of facilities, equipment and devices,
19 the improvement and implementation of energy efficiency measures, the
20 conduct of regular energy audit, energy monitoring and control, and the
21 preparation of periodic energy consumption and energy conservation
22 program reports of the establishment;
- 23 b) Keep records on monthly energy consumption data and other energy-
24 related data;

- c) Set up annual targets and plans for the implementation of energy efficiency and conservation projects;
- d) Submit a Semi-Annual Energy Consumption Report and an Annual Energy Conservation Program Report to the DOE not later than 30 days after the reference period;
- e) Conduct periodic Energy Audit once every three (3) years through either an in-house energy auditor or by engaging private energy service company or energy provider, and submit Energy Audit Report to the DOE upon completion of the energy audit;
- f) Set up programs to develop and design measures that promote energy efficiency conservation and sufficiency that may include but not limited to installation of renewable energy technologies.

SEC. 14. Other Establishments. Establishments with an annual energy consumption equal to or more than 500,000 Liters of Oil Equivalent (LOE) (2,000,000 kilowatt hours) but less than 1,000,000 Liters of Oil Equivalent (LOE) (4,000,000 kilowatt hours) shall be required to submit an annual energy consumption report to DOE. These establishments may submit themselves to external audit or quality control assessment on a voluntary basis to assist them in their energy planning and management.

1 **CHAPTER 4**

2 **INCENTIVES FOR ENERGY EFFICIENCY AND CONSERVATION**

3 **SEC. 15. Fiscal Incentives.** Energy-efficient technologies and practices from
4 procurement to manufacturing to supply, as duly certified by the DOE, shall be
5 entitled to the following incentives:

- 6 a) Energy users or energy using entities shall be entitled to duty-free
7 importation of pioneering and technologically energy-efficient machinery,
8 equipment, vehicles, and materials within the first five years upon the
9 effectivity of this act; and
- 10 b) The Department of Finance and concerned agencies shall draw-up
11 appropriate mechanisms for the grant of subsidies and/or tax credit
12 equivalent to one hundred percent (100%) of the customs duties and
13 national internal revenue taxes on the purchase and installation of RE
14 machinery and equipment, whether for individual and industrial use.

15

16 **SEC. 16. Non-Fiscal Incentives.** Establishments that will implement or are
17 implementing energy-efficient projects shall be entitled to the following non-fiscal
18 incentives:

- 19 a) Provision of awards and recognition for energy efficiency and
20 conservation best practices and successful energy-efficient projects
21 and products.
- 22 b) Provision of technical assistance from government agencies in the
23 development and promotion of energy-efficient technologies.
- 24

SEC. 17. Financial Assistance. Government Financial Institutions (GFIs), such as the Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and other financial institutions shall, in accordance with and to the extent allowed by the enabling provisions of their respective charters or applicable laws, provide concessional financial packages for the development, utilization, and commercialization of Renewable Energy and Energy Efficiency projects as duly recommended and endorsed by the DOE.

CHAPTER 5

ROLE OF GOVERNMENT

SEC. 18. Role of the Department of Energy as the Lead agency. The DOE shall be the lead government agency responsible for the planning, formulation, development, implementation, enforcement and monitoring of energy management policies and other related sustainable energy efficiency and conservation plans and programs. In addition to its mandate, DOE shall have the following powers and functions:

- a) Consult and coordinate with other government agencies, local government units, and the private sector or create an inter-agency committee, as may be deemed necessary, for the effective implementation of sustainable energy efficiency and conservation policies of the government;
- b) Initiate and maintain collaborative efforts with the business sector, particularly the commercial, industrial, transport and power sectors, to broaden and enhance their efficient and judicious utilization of energy;
- c) In consultation with the DTI-BPS, shall develop and review energy performance standards (*refer to Chapter 2 Section 6 on MEPS*) of

machinery and equipment, appliances, vehicles and other fuel-using combustion equipment and electric devices, among others;

d) Require manufacturers, importers, and dealers to comply with the MEPS and to display the Energy Label showing the energy requirement and consumption efficiency of products on their packaging, and on the products themselves;

e) In consultation with appropriate agencies and organizations, ensure compliance with applicable and existing benchmarks for energy performance in buildings and industries; and

f) Develop and maintain a centralized, comprehensive and unified database on energy consumption, energy efficient technologies, renewable energy technologies, and other critical and relevant information to ensure efficient evaluation, analysis and dissemination of data and information for planning and policy-making.

SEC. 19. Role of other government agencies. In general, all other government agencies shall promote the judicious and efficient use of energy through their different mandates. In addition, the following agencies shall have the functions and/or roles in the promotion of sustainable energy efficiency and conservation:

a) **Department of Education (DEPED).** The DepEd shall promote energy efficiency and conservation practices through its K-12 career advocacy program.

b) **Department of Finance (DOF).** The DOF and concerned agencies shall draw-up appropriate mechanisms for the grant of subsidies and/or tax credit equivalent to one hundred percent (100%) of the customs duties

and national internal revenue taxes on the purchase and installation of RE machinery and equipment, whether for individual and industrial use.

c) **Department of Interior and Local Government (DILG).** The DILG, in coordination with the DOE, shall be responsible in ensuring compliance of all LGUs in implementing energy efficiency and conservation through adoption of appropriate Energy Management System.

d) **Department of Public Works and Highway (DPWH).** The DPWH, in coordination with the DOE, shall be responsible in ensuring the implementation of *Guidelines on Energy Efficiency and Conserving Design in Building* as part of the National Building Code.

e) **Department of Trade and Industry (DTI).** The DTI through the Bureau of Product Standards (BPS), in consultation with the DOE, shall require manufacturers, importers and dealers to comply with the MEPS and to display the Energy Label on the packaging or the products themselves of every designated machinery and equipment, appliances, vehicles and other fuel-using combustion equipment and electric devices to show their energy requirement and consumption efficiency.

f) **Department of Science and Technology (DOST).** The DOST shall be responsible in carrying-out strategic research and development program aimed at facilitating the development of energy efficient technologies and the promotion thereof.

g) **Department of Transportation and Communication (DOTC).** The DOTC, in coordination with DOE, shall be responsible in ensuring compliance requirement of vehicle manufacturers and importers on MEPS for road transport vehicles and to display the energy consumption label in

1 coordination with the vehicle manufacturers, road transport industry
2 associations, public transport group and Non-Government Organizations.
3 It shall also be responsible in ensuring compliance and enforcement of
4 energy management system in the sea and air transport sectors.

5 h) **Government Financial Institutions (GFIs).** The GFIs shall set aside
6 lending funds for Energy Efficiency and Conservation Projects at
7 concessional rates of interest to attract private sector investments.

8 i) **Philippine Statistics Authority (PSA).** The PSA, in coordination with the
9 DOE, shall institutionalize household energy consumption survey (HECS)
10 and survey of energy consumption of establishment (SECE) to establish
11 energy consumption database.

12 j) **Technical Educational Skills Development Authority (TESDA).** TESDA,
13 in collaboration with CHED, DOST and other similar training and service
14 institutions shall develop a program/system for the Certification of Energy
15 Managers and Conservation Officers. It shall also ensure the promotion of
16 energy efficiency practices through its Technical Vocational Education and
17 Training (TVET).

18 k) **Commission on Higher Education (CHED) and State Universities and**
19 **Colleges (SUCs).** The CHED and SUCs shall integrate into the existing
20 engineering curriculum appropriate courses related to energy
21 management.

22 23 CHAPTER 6

24 ROLE OF LOCAL GOVERNMENT UNITS AND LEAGUES OF 25 LOCAL GOVERNMENT UNITS AND ELECTIVE OFFICIALS

SEC. 20. Support and Coordination of Local Government Units and Leagues of Local Government Units and Elective Officials. In support of the government's sustainable energy efficiency and conservation program, local government units shall integrate a local energy efficiency program, to be headed by the Municipal/City Planning and Development Officer, into their local development plan based on the guidelines to be provided by the IRR of this law. The Energy Efficiency and Conservation (EE&C) plan shall include the reporting of an Annual Energy Consumption by SMEs as part of the requirements for business permit renewal.

The LGU shall monitor and report on the status of energy efficiency programs and projects to the DILG and the DOE.

CHAPTER 7

**CERTIFICATION FOR PROFESSIONAL COMPETENCY AND
ACCREDITATION FOR PROFESSIONAL SERVICES**

SEC. 21. Certified Energy Manager (CEM) and Certified Energy Conservation Officer (CECO). There shall be an approved learning curriculum for achievement of required competencies and skills, and a competency-based system for the assessment and certification of Energy Managers and Energy Conservation Officers to be developed through the collaboration of the Department of Energy, the Commission on Higher Education (CHED), and TESDA.

The certification system shall be based on an approved scope of practice and a set of competency standards, with clear assessment process and tools, and certification for the determined competency, and undertaken by the prescribed governance structure.

1 Similarly, competent Non-Profit Organizations and other private training
2 institutions duly accredited by the DOE and CHED, shall offer professional
3 certificate programs for Energy Manager and Energy Conservation Officer.

4 5 **CHAPTER 8**

6 **FINAL PROVISIONS**

7 **SEC 22. Creation of additional plantilla positions for the Energy**
8 **Efficiency and Conservation Division of the DOE.** To ensure the effective
9 implementation, enforcement and monitoring of the provisions of this Act, additional
10 positions under the DOE-EECD shall be created.

11
12 **SEC. 23. Prohibited Acts.** The following acts shall not be allowed:

- 13 a) Failure to comply with the MEPS and the Energy Label showing the energy
14 requirement and consumption efficiency of products on their packaging,
15 and on the products themselves;
- 16 b) Failure and/or willful refusal to submit periodic reportorial compliance
17 reports to the DOE/LGU;
- 18 c) Failure and/or willful refusal to appoint/designate a Certified Energy
19 Conservation Officer/Certified Energy Manager;
- 20 d) Failure to comply with the Order under Section 15 hereof;
- 21 e) Willful refusal to an on-site inspection; and
- 22 f) Failure to submit energy audit report;
- 23

24 **SEC. 24. Recommendation, Disclosure, and Order.** Upon determination that
25 an establishment has committed any of the prohibited acts under Section 23 of this

1 Act, the DOE may consider the following measures prior to the imposition of the
2 appropriate sanctions/penalties for such violations:

- 3 a) Provide citations in cases where the DOE finds materially insufficient
4 reports, false returns, and non-submission of notifications or reports;
- 5 b) Disclose the name of the establishment in cases where the establishment
6 that has received a citation under the preceding paragraph, failed to
7 remedy such citation by the DOE; and
- 8 c) Issue an Order to the establishment to take measures in cases where the
9 said establishment failed to follow or comply with the citation or
10 recommendations issued by the DOE. Failure on the part of the
11 establishment to comply with such order shall be ground for imposition of
12 penalties in accordance with Section 26 of this Act.

13
14 **SEC. 25. Visitorial Power.** For the effective enforcement of this Act, the DOE
15 shall have the authority to visit Designated Establishments to inspect energy-
16 consuming facilities, evaluate energy management procedures, identify areas for
17 efficiency improvement, and verify energy monitoring reports and other documents
18 related to the compliance requirements of this Act.

19
20 **SEC. 26. Penalties.** The responsible officers and employees together with any
21 establishment or organization, who willfully commit any of the prohibited acts
22 enumerated under Section 23 of this Act, shall, upon conviction, be liable for penalties
23 that will be defined in the IRR.

24

1 **SEC. 27. Contingency Powers.** Upon the recommendation of the Secretary of
2 Energy, in times of critical energy supply disruptions or imminent danger thereof, the
3 President may direct the adoption of stringent energy conservation measures,
4 including but not limited to power/fuel allocations or rationing; limiting the
5 operating hours of commercial, industrial, and similar establishments; rationalizing
6 the use of government and private motor vehicles; staggering or limiting working
7 hours in both public and private sectors; and, the temporary closure of energy
8 intensive industries when deemed necessary.

9
10 **SEC. 28. Appropriations.** For the implementation of this Act, such sums as
11 may be necessary shall be taken from the current fiscal year appropriation of the DOE
12 and the DOST and from such other funds that may be made available. Thereafter, the
13 amount needed for the implementation of the act shall be included in the annual
14 General Appropriations Act.

15
16 **SEC. 29. Implementing Rules and Regulations.** The DOE shall, in
17 consultation with concerned government agencies and/or entities, local government
18 units, industrial and commercial sectors, and other relevant stakeholders,
19 promulgate the Implementing Rules and Regulations (IRR) within six (6) months
20 from the effectivity of this Act.

21
22 **SEC. 30. Separability Clause.** If for any reason, any section or provision of
23 this Act is declared unconstitutional or invalid, such parts not affected thereby shall
24 remain in full force and effect.

25

1 **SEC. 31. Repealing Clause.** All laws, presidential decrees, executive orders,
2 issuances rules and regulations, inconsistent with the provisions of this Act are
3 hereby repealed or modified accordingly.

4

5 **SEC. 32. Effectivity.** This Act shall take effect within fifteen (15) days after its
6 publication in at least two (2) newspapers of general circulation after its approval.

7

8

9

10 Approved,