

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5021



Introduced by **HON. GUS S. TAMBUNTING**

**AN ACT
ESTABLISHING THE SOLAR HOME SYSTEM FINANCING FOR SOCIAL HOUSING PROGRAM,
AND PROVIDING FUNDS THEREFOR**

EXPLANATORY NOTE

The government's housing projects to poor communities or to those communities severely damaged by strong typhoons/disasters is always dependent on the accessibility of basic necessities such as electricity and water. Victims of typhoon Sendong in Dumaguete City which occurred in 2011 has yet to receive their new "unit" as it just nearly done as of 2020.¹ Sadly, for almost a decade, a very slow progression of the construction, bidding process and transfer operations still persists to the detriment of the homeless victims.

Relocation sites being a socialized housing solution for our fellow countrymen still suffers setbacks due to lack of access to a primary utility - *electricity* since the usual chosen undeveloped domains are usually outside of the city or those quite remote. This legislation is to finance a renewable energy source – solar powers for the benefit of Filipino citizens. Solar powered lights might have a high acquisition cost but becomes practicable and sustainable in the long run. Likewise, usage of solar panels and lights reduces carbon emissions making our country acquiescent to the goals reducing global warming. Life of the relocated members is never easy as they have to re-adjust their jobs and personal goals if any. Hence, if we assure them of adequate access to electricity it will alleviate their troubled situation.

This piece of legislation addresses the struggle of the lack of electricity in relocation sites by appropriating funds for a solar home system. This new technology must be widely used by the NHA and DOE as this will help the beneficiaries in a long term perspective since they will not have to worry how to cope with the rising costs of electricity.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. GUS S. TAMBUNTING
2nd District, Parañaque City

¹ <https://reliefweb.int/report/philippines/relocation-site-typhoon-sendong-victims-dgte-nearly-done>

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

Section 1. Short Title. – This Act shall be known as the “Solar Home System Financing for Social Housing Program Act.”

Sec. 2. Declaration of Policy. – The Constitution mandates that the State shall protect and promote the right of people to decent housing with basic services at affordable cost. The informal settler families (ISFs), particularly those located in danger zones and those displaced by government infrastructure projects and calamities deserve no less than habitable resettlement areas as well as climate-resilient communities.

Recognizing the right to have quality, reliable, affordable, safe and regular supply of electric power vis-a-vis the vulnerability of the Philippine archipelago and its local communities, particularly the poor, women, and children, to potential dangerous consequences of climate change, the State shall strengthen, integrate, consolidate and institutionalize initiatives to address climate change in the context of sustainable development, such as the prioritization of renewable sources in energy generation to reduce greenhouse gas emissions.

Sec. 3. Definition of Terms.

- a) Solar Energy. – refers to the energy derived from solar radiation that can be converted into useful thermal or electricity energy.
- b) Solar Energy Systems. – refers to energy systems which convert solar energy into thermal or electrical energy.
- c) Solar Home System (SHS). – refers to a stand-alone photovoltaic system that offers a cost-effective mode of supplying amenity power for lighting and appliances to remote off-grid households. Depending on viability, SHS may be grid-tie, off-grid or hybrid solar PV.
- d) Net Metering. – refers to a system, appropriate for distributed generation, in which a distribution grid user has a two-way connection to the grid and only charged for his/her net electricity consumption and is credited for any overall contribution to the electricity grid.
- e) Off-grid Systems. – refer to electrical systems not connected to the wires and related facilities of the On-Grid Systems of the Philippines.
- f) On-grid Systems. – refers to electrical systems composed of interconnected transmission lines, distribution lines, substations, and related facilities for the purpose of conveyance of the bulk power on the grid of the Philippines.
- g) Renewable Energy Systems. – refer to energy systems which convert RE resources into useful energy forms, like electrical, mechanical, etc.

- h) Rural Electrification. – refers to the delivery of basic electricity services, consisting of power generation, sub-transmission, and/or extension of associated power delivery system that would bring about important social and economic benefits to the countryside.

Sec. 4. Creating the solar home systems financing for social housing program. – All current and future social housing financing programs shall require the integration of the SHS financing program to defray up-front Investment of poor families and communities on solar PV installations to provide secure, clean, and environmental-friendly power services in both in-city and off-city resettlement sites. The annual target for solar housing units shall be based on the combined annual social housing targets of the LGUs, NHA and SHFC. Per housing unit, a corresponding budget will be allocated for SHS financing based on the prevailing cost of solar home systems in the market on top of the cost for the production of the housing units. The terms of the financing program, which may be in the form of loans, grants and equity contributions from the shelter agencies shall be designed so that electricity-related expenditures of households over the medium-term will not be greater than expenditures they would incur if they were connected to the electricity grid.

The annual target for solar housing units shall be based on the combined annual social housing targets of the NHA and SHFC. Per housing unit, a corresponding budget will be allocated for SHS financing based on the prevailing cost of solar home systems in the market on top of the cost for the production of the housing units.

Sec. 5. Promotion of solar home systems as an affordable, viable, accessible, clean and cheaper energy source for social housing programs. – The NHA and SHFC shall incorporate education and information dissemination immediately in the first phase of the implementation of resettlement projects to orient ISFs about the SHS financing program.

Sec. 6. Appropriations. – The amount necessary for the Implementation of this Act shall be included in the annual General Appropriations Act.

Sec. 7. Implementing Rules and Regulations. – The Department of Housing and Sustainable Urban Development (DHSUD), NHA and the SHFC, in coordination with the Department of Energy (DOE), Department of Interior and Local Government (DILG), and other government agencies concerned, shall promulgate the necessary implementing rules and regulations within thirty (30) days upon the effectivity of this Act.

Sec. 8. Separability Clause. – If any provision, section or part of this Act shall be declared unconstitutional or invalid, such judgment shall not affect, invalidate or impair any other provisions, sections or parts thereof.

Sec. 9. Repealing Clause. – All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with this Act is hereby repealed, amended or modified accordingly.

Sec. 10. Effectivity. – This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation of in the Official Gazette.

Approved,