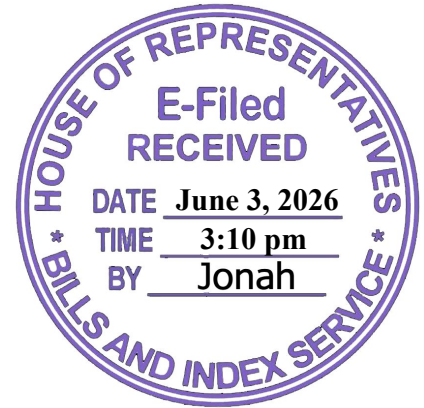


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9728



Introduced by Hon. Kenneth T. Gatchalian

EXPLANATORY NOTE

Republic Act No. 9513, otherwise known as the Renewable Energy Act of 2008, declares it a policy of the State to promote the development and utilization of renewable energy systems through fiscal and non-fiscal incentives. One of the key mechanisms under the law is the net-metering program, which allows qualified end-users to install renewable energy systems, generate their own electricity, and export excess power to the grid. Through this program, consumers become “prosumers,” enabling them to reduce electricity costs, protect themselves from energy price volatility, and contribute to cleaner and more sustainable energy generation.

Despite its benefits, the net-metering program remains underutilized. As of 31 December 2024, only 15,605 qualified end-users nationwide participate in the program, with a significant concentration in Luzon and very limited participation in Mindanao. This may be attributed to the existing 100-kilowatt cap, which restricts participation by larger electricity consumers, as well as the cumbersome and fragmented permitting and application process.

This measure seeks to strengthen and expand the net-metering program by removing the rigid 100-kW cap and authorizing the Energy Regulatory Commission (ERC) to determine appropriate capacity limits based on grid

stability and consumer welfare considerations. The bill likewise mandates the streamlining and rationalization of permitting and documentary requirements, including those imposed by local government units, consistent with the timelines under the Energy Virtual One Stop Shop Act.

By removing unnecessary barriers and improving access to renewable energy systems, this measure aims to encourage broader participation in the net-metering program, accelerate the country's transition to clean energy, and promote greater energy security and sustainability.

In view of the foregoing, the immediate passage of this measure is earnestly sought.



KENNETH T. GATCHALIAN

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9728

Introduced by Hon. Kenneth T. Gatchalian

AN ACT
ENHANCING THE IMPLEMENTATION OF THE NET-METERING
PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9513,
OTHERWISE KNOWN AS THE RENEWABLE ENERGY ACT OF 2008

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

1 **SECTION 1.** *Definition of Distributed Generation.* – Section 4 of
2 Republic Act No. 9513, otherwise known as the Renewable Energy Act of 2008,
3 is hereby amended to read as follows:

4 “Section 4. Definition of Terms. – As used in this Act, the following
5 terms are herein defined:

6 x x x

7 “(j) “Distributed generation” refers to a system of small generation
8 entities supplying directly to the distribution grid, any one of which shall
9 not exceed [~~one hundred kilowatts (100 kW) in capacity~~] **THE**
10 **MAXIMUM KILOWATT CAPACITY DETERMINED BY THE**
11 **ENERGY REGULATORY COMMISSION PURSUANT TO**
12 **SECTION 10 OF THIS ACT.”**

1 **SEC. 2.** *Net Metering for Renewable Energy.* – Section 10 of the same
2 Act is hereby amended to read as follows:

3 **“Section 10. Net-metering for Renewable Energy.** – Subject to
4 technical considerations and without discrimination and upon request by
5 distribution end-users, the distribution utilities shall enter into net-
6 metering agreements with qualified end-users who will be installing RE
7 system.

8 The ERC, in consultation with the NREB and the electric power
9 industry participants, shall (1) establish net metering interconnection
10 standards and pricing methodology and other commercial arrangements
11 necessary to ensure success of the net-metering for renewable energy
12 program within one (1) year upon the effectivity of this Act, **AND (2)**
13 **REGULARLY DETERMINE THE MAXIMUM KILOWATT**
14 **(KW) CAPACITY FOR DISTRIBUTED GENERATION TO**
15 **INCLUDE THE NET METERING FOR RENEWABLE ENERGY**
16 **PROGRAM: PROVIDED, THAT IN SO DOING IT SHALL**
17 **CONSIDER THE EFFECTS ON THE STABILITY OF THE GRID**
18 **AND RETAIL RATES OF CAPTIVE CUSTOMERS, TOGETHER**
19 **WITH OTHER POLICIES UNDER THIS ACT AND REPUBLIC**
20 **ACT NO. 9136, OTHERWISE KNOWN AS THE ELECTRIC**
21 **POWER INDUSTRY REFORM ACT OF 2001, SUCH AS RETAIL**
22 **COMPETITION AND OPEN ACCESS.**

23 The distribution utility shall be entitled to any Renewable Energy
24 Certificate resulting from net-metering arrangement with the qualified
25 end-user who is using an RE resource to provide energy and the
26 distribution utility shall be able to use this RE certificate in compliance
27 with its obligations under RPS.

1 The DOE, ERC, TRANSCO or its successors-in-interest, DUs, PEMC
2 and all relevant parties are hereby mandated to provide the mechanisms
3 for the physical connection and commercial arrangements necessary to
4 ensure the success of the Net-metering for Renewable Energy program,
5 consistent with the Grid and Distribution Codes.

6 **THE PERMITTING PROCESS AND REQUIREMENTS FOR**
7 **THE APPLICATION OF QUALIFIED END-USERS FOR THE**
8 **NET-METERING FOR RENEWABLE ENERGY PROGRAM**
9 **SHALL BE UNIFORM AND STREAMLINED ACROSS ALL**
10 **DUS, SHALL PROVIDE MINIMUM REQUIREMENTS FOR**
11 **LOCAL GOVERNMENT UNITS, AND SHALL FOLLOW THE**
12 **TIME FRAMES PROVIDED IN REPUBLIC ACT. NO. 11234,**
13 **OTHERWISE KNOWN AS THE ENERGY VIRTUAL ONE**
14 **STOP-SHOP ACT: *PROVIDED*, THAT THE TIME FRAME FOR**
15 **DUS SHALL BE FIFTEEN (15) WORKING DAYS FROM**
16 **COMPLETE SUBMISSION OF REQUIREMENTS. THE DOE**
17 **SHALL BE THE LEAD AGENCY IN THE RATIONALIZATION**
18 **OF THE PROCESS AND REQUIREMENTS FOR THE NET**
19 **METERING FOR RENEWABLE ENERGY PROGRAM,**
20 **TOGETHER WITH THE ERC AND DEPARTMENT OF THE**
21 **INTERIOR AND LOCAL GOVERNMENT, AND UPON**
22 **CONSULTATION WITH OTHER PUBLIC AND PRIVATE**
23 **STAKEHOLDERS.**

24
25 **SEC. 3. *Implementing Rules and Regulations.*** – The DOE, in consultation
26 with the ERC and other public and private stakeholders, shall formulate the

1 implementing rules and regulations of this Act within thirty (30) from its
2 effectivity.

3 **SEC. 4. *Separability Clause.*** – If, for any reason, any provision of this
4 Act is declared to be unconstitutional or invalid, the other sections or provisions
5 hereof which are not affected thereby shall continue to be in full force or effect.

6 **SEC. 5. *Repealing Clause.*** – All laws, decrees, orders, rules and
7 regulations or parts thereof which are inconsistent with or contrary to the
8 provisions of this Act are hereby repealed, amended or modified accordingly.

9 **SEC. 6. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
10 complete publication in the Official Gazette or in a national newspaper of general
11 circulation.

12 *Approved,*