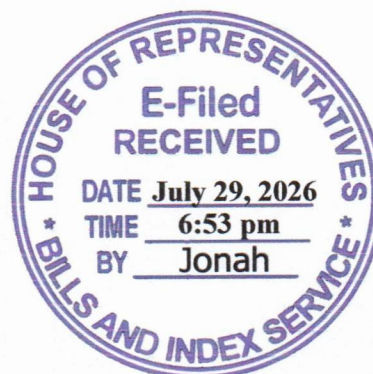


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 10431



**Introduced by Honorable Faustino "Bojie" G. Dy III and
Honorable Ferdinand Alexander A. Marcos**

EXPLANATORY NOTE

Reliable and affordable electricity is essential to the daily lives of Filipino families, the growth of businesses, and the continued development of our communities. Today, many consumers have the ability to install their own electricity generation and energy storage systems, such as rooftop solar panels and battery systems, to help meet their energy needs. These technologies can reduce electricity expenses, improve the reliability of power supply, and lessen dependence on the electric grid.

However, many consumers continue to face unnecessary procedures and restrictions before they can install these systems, even when these are intended solely for their own use and do not affect the public electricity network. Such barriers discourage investments that could otherwise benefit households, enterprises, and the country as a whole.

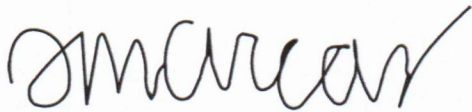
This bill seeks to encourage the responsible use of behind-the-meter electricity generation and energy storage systems by simplifying regulatory requirements, ensuring that consumers who generate electricity solely for their own use are not subjected to rules intended for commercial power producers, establishing clear and uniform procedures where interconnection to the distribution system is necessary, promoting wider public access to these technologies, and protecting consumers from unreasonable restrictions on their installation.

By removing unnecessary obstacles while preserving appropriate safety standards and regulatory oversight, this measure empowers Filipinos to take a more active role in meeting their own energy needs. It promotes consumer choice, supports the country's energy security goals, encourages the use of modern and cleaner energy technologies, and contributes to a more reliable and resilient electric power sector.

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



FAUSTINO "BOJIE" G. DY III



FERDINAND ALEXANDER A. MARCOS

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AN ACT
PROMOTING THE INSTALLATION OF BEHIND-THE-METER ELECTRICITY
GENERATION AND ENERGY STORAGE SYSTEMS, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 9136, OTHERWISE KNOWN AS THE
"ELECTRIC POWER INDUSTRY REFORM ACT OF 2001"

*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 "*Sariling Kuryente*
Act."

SEC. 2. Generation Sector. – Section 6 of Republic Act No. 9136 is hereby
amended to read as follows:

"SEC. 6. Generation Sector. – Generation of electric power, a
business affected with public interest, shall be competitive and
open.

Upon the effectivity of this Act, any new generation company
shall, before it operates, secure from the Energy Regulatory
Commission (ERC) a certificate of compliance pursuant to the
standards set forth in this Act, as well as health, safety and
environmental clearances from the appropriate government
agencies under existing laws.

**AN END-USER THAT INSTALLS AND OPERATES A
BEHIND-THE-METER ELECTRICITY GENERATION OR
ENERGY STORAGE SYSTEM FOR ITS OWN USE SHALL NOT,**

1 BY REASON THEREOF, BE CONSIDERED A GENERATION
2 COMPANY. A SYSTEM USING EQUIPMENT CERTIFIED
3 UNDER STANDARDS RECOGNIZED BY THE ERC TO
4 PREVENT THE EXPORT OF ELECTRICITY TO THE
5 DISTRIBUTION SYSTEM SHALL NOT REQUIRE A
6 CERTIFICATE OF COMPLIANCE OR OTHER PRIOR
7 AUTHORIZATION FROM THE ERC.

8 X X X."

9
10 **SEC. 3. *Functions of Distribution Utilities.*** – Section 23 of Republic Act No. 9136
11 is hereby amended to read as follows:

12 "SEC. 23. Functions of Distribution Utilities. – A distribution
13 utility shall have the obligation to provide distribution services and
14 connections to its system for any end-user within its franchise area
15 consistent with the Distribution Code.

16 Any entity engaged therein shall provide open and non-
17 discriminatory access to its distribution system to all users. Any
18 distribution utility shall be entitled to impose and collect distribution
19 wheeling charges and connection fees from such end-users as
20 approved by the ERC. A distribution utility shall have the obligation
21 to supply electricity in the least-cost manner to its captive market,
22 subject to the collection of retail rate duly approved by the ERC.

23 **A BEHIND-THE-METER ELECTRICITY GENERATION**
24 **OR ENERGY STORAGE SYSTEM USING EQUIPMENT**
25 **CERTIFIED UNDER STANDARDS RECOGNIZED BY THE ERC**
26 **TO PREVENT THE EXPORT OF ELECTRICITY TO THE**
27 **DISTRIBUTION SYSTEM SHALL NOT REQUIRE THE PRIOR**
28 **APPROVAL OF, OR ANY AGREEMENT, STUDY, METER**
29 **REPLACEMENT, OR CHARGE IMPOSED BY, THE**
30 **DISTRIBUTION UTILITY. THE END-USER MAY BE**
31 **REQUIRED ONLY TO GIVE NOTICE OF THE INSTALLATION.**

32 **AN APPLICATION FOR THE INTERCONNECTION OF A**
33 **SYSTEM CAPABLE OF EXPORTING ELECTRICITY TO THE**
34 **DISTRIBUTION SYSTEM SHALL BE ACTED UPON WITHIN**
35 **TEN (10) WORKING DAYS FROM RECEIPT OF THE**
36 **COMPLETE REQUIREMENTS PRESCRIBED BY THE ERC.**
37 **UPON THE LAPSE OF SUCH PERIOD WITHOUT ACTION, THE**
38 **APPLICATION SHALL BE DEEMED APPROVED.**

39 **NO DISTRIBUTION UTILITY MAY IMPOSE ANY**
40 **REQUIREMENT, PROCEDURE, STUDY, EQUIPMENT**

1 **SPECIFICATION, OR CHARGE NOT AUTHORIZED UNDER**
2 **UNIFORM RULES PROMULGATED BY THE ERC.**

3 x x x."

4
5 **SEC. 4. Powers and Functions of the Department of Energy.** – Section 37 of
6 Republic Act No. 9136 is hereby amended by adding a new paragraph (r), to read as
7 follows:

8 "SEC. 37. Powers and Functions of the DOE. – x x x

9 (p) Formulate such rules and regulations as may be necessary
10 to implement the objectives of this Act;

11 (q) Exercise such other powers as may be necessary or
12 incidental to attain the objectives of this Act; AND

13 **(R) PROMOTE THE WIDESPREAD ADOPTION OF**
14 **BEHIND-THE-METER ELECTRICITY GENERATION AND**
15 **ENERGY STORAGE SYSTEMS; COORDINATE THE REMOVAL**
16 **OF NATIONAL AND LOCAL ADMINISTRATIVE BARRIERS TO**
17 **THEIR INSTALLATION; FACILITATE ACCESS TO**
18 **FINANCING, QUALIFIED INSTALLERS, AND RELIABLE**
19 **EQUIPMENT; AND DEVELOP AND DISSEMINATE**
20 **INFORMATION AND TECHNICAL GUIDANCE NECESSARY**
21 **FOR THEIR DEVELOPMENT."**

22
23 **SEC. 5. Protection Against Unreasonable Restrictions.** – No homeowners'
24 association, subdivision developer, property manager, or similar entity shall prohibit
25 the installation of a behind-the-meter electricity generation or energy storage system
26 on property owned or exclusively controlled by an end-user. Reasonable requirements
27 may be imposed only for structural safety, public safety, or the protection of common
28 property. For this purpose, the Department of Energy shall develop and publish model
29 rules that such entities may adopt.

30
31 **SEC. 6. Implementing Rules and Regulations.** – Within ninety (90) days from
32 the effectivity of this Act, the Department of Energy, in consultation with the Energy
33 Regulatory Commission and other relevant government agencies and stakeholders,
34 shall promulgate the implementing rules and regulations of this Act.

35
36 **SEC. 7. Separability Clause.** – If any provision of this Act is declared
37 unconstitutional or invalid, the other provisions not affected thereby shall remain in
38 full force and effect.

1 **SEC. 8. *Repealing Clause.*** – All laws, decrees, executive orders, rules and
2 regulations, and other issuances or parts thereof inconsistent with this Act are hereby
3 repealed or modified accordingly.

4
5 **SEC. 9. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
6 publication in the Official Gazette or in a newspaper of general circulation.

7
8 *Approved,*