

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
Second Regular Session

HOUSE BILL NO. **10458**



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

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

EXPLANATORY NOTE

Electricity is an essential necessity that powers homes, supports education, sustains livelihoods, strengthens healthcare, and drives economic growth. Yet for many Filipino families, particularly those in rural communities, geographically isolated and disadvantaged areas (GIDAs), remote barangays, sitios, and island municipalities, access to stable, reliable, and affordable electricity remains a daily challenge.

Despite the Government's continuing rural electrification efforts, many communities continue to experience recurring power interruptions, limited electric infrastructure, and increasing demand that existing distribution systems can no longer adequately accommodate. These conditions hinder economic productivity, disrupt education and essential public services, and diminish the quality of life of millions of Filipinos. Every power interruption means lost income for small businesses, interrupted learning for students, and additional hardship for families already struggling with rising living costs.

Through behind-the-meter electricity generation and energy storage systems, households, farmers, schools, cooperatives, and businesses can generate electricity for their own use, reduce

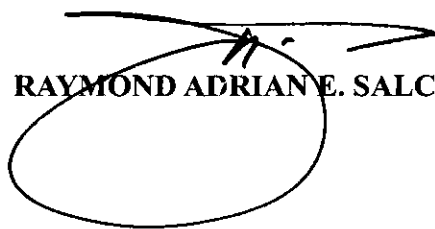
electricity expenses, improve energy reliability, and lessen dependence on already constrained distribution systems, particularly in underserved and remote communities.

This measure seeks to remove unnecessary regulatory obstacles by recognizing that consumers who generate electricity exclusively for their own use should not be regulated in the same manner as commercial generation companies. It establishes a clear and uniform regulatory framework, streamlines procedures, protects consumers from unreasonable restrictions, and encourages the responsible adoption of behind-the-meter electricity generation and energy storage systems.

Beyond reducing electricity costs, this measure empowers Filipino families to become more self-reliant while advancing the country's goals of energy security, rural development, and environmental sustainability. By harnessing the nation's abundant solar resources, it promotes cleaner energy, reduces dependence on fossil fuels, lowers greenhouse gas emissions, and supports a more resilient and sustainable electric power sector.

The proposed Sariling Kuryente Act is a measure that gives ordinary Filipinos greater control over their energy future. It promotes consumer empowerment, strengthens rural communities, encourages the responsible use of renewable energy, and affirms the principle that every Filipino, regardless of location or economic circumstance, deserves access to reliable, affordable, and sustainable electricity.

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



RAYMOND ADRIANE E. SALCEDA

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*Be it enacted by the Senate and the 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, BY REASON THEREOF, BE CONSIDERED A GENERATION COMPANY. A

SYSTEM USING EQUIPMENT CERTIFIED UNDER STANDARDS RECOGNIZED BY THE ERC TO PREVENT THE EXPORT OF ELECTRICITY TO THE DISTRIBUTION SYSTEM SHALL NOT REQUIRE A CERTIFICATE OF COMPLIANCE OR OTHER PRIOR AUTHORIZATION FROM THE ERC.

x x x.”

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

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

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

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

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

NO DISTRIBUTION UTILITY MAY IMPOSE ANY REQUIREMENT, PROCEDURE, STUDY, EQUIPMENT SPECIFICATION, OR CHARGE NOT AUTHORIZED UNDER UNIFORM RULES PROMULGATED BY THE ERC.

x x x.”

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

“SEC. 37. Powers and Functions of the DOE. – x x x

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

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

(R) PROMOTE THE WIDESPREAD ADOPTION OF BEHIND-THE-METER ELECTRICITY GENERATION AND ENERGY STORAGE SYSTEMS; COORDINATE THE REMOVAL OF NATIONAL AND LOCAL ADMINISTRATIVE BARRIERS TO THEIR INSTALLATION; FACILITATE ACCESS TO FINANCING, QUALIFIED INSTALLERS, AND RELIABLE EQUIPMENT; AND DEVELOP AND DISSEMINATE INFORMATION AND TECHNICAL GUIDANCE NECESSARY FOR THEIR DEVELOPMENT.”

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

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

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

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

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

Approved,