

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila
TWENTIETH CONGRESS
Second Regular Session
House Bill No. 10478



INTRODUCED BY REP. PATRICK MICHAEL "PM" D. VARGAS

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

EXPLANATORY NOTE

Access to reliable and affordable electricity remains one of the fundamental challenges confronting many Filipino households, particularly low-income families residing in socialized and resettlement housing communities. While the Philippines has significantly expanded its renewable energy capacity in recent years, many beneficiaries of government housing programs continue to bear the burden of high electricity costs and limited access to stable power services. At the same time, electricity prices in the country remain among the highest in Southeast Asia, placing additional financial strain on vulnerable households already struggling with rising costs of food, transportation, and other basic necessities.¹

The rapid growth of the country's solar energy sector presents a timely opportunity to address these challenges. In 2026, the Philippines continues to experience record investments in renewable energy, with utility-scale and distributed solar projects expanding under the Renewable Energy Act, the Green Energy Auction Program (GEAP), and the Department of Energy's accelerated renewable energy development initiatives. Falling costs of solar photovoltaic (PV) technology and improvements in battery storage have likewise made solar energy more accessible and economically viable for households than ever before.²

¹ Energy Regulatory Commission (ERC), Generation Rates and Transmission Charges (2025–2026); International Energy Agency (IEA), Southeast Asia Energy Outlook (latest edition); Ember, Global Electricity Review 2025.

² Department of Energy (DOE), Philippine Energy Plan 2023–2050; DOE, Green Energy Auction Program (GEAP) updates (2025–2026); International Renewable Energy Agency (IRENA), Renewable Power Generation Costs in 2024.

Despite these developments, the upfront cost of installing solar home systems remains beyond the reach of many low-income families, particularly beneficiaries of socialized housing and government resettlement programs. As a result, these households remain heavily dependent on increasingly expensive grid electricity, limiting their capacity to benefit from the country's transition toward cleaner and more affordable sources of energy. Without appropriate financing mechanisms, the advantages of renewable energy will continue to accrue primarily to those who can afford the initial investment.

Integrating solar home systems into social housing financing offers an effective and sustainable solution to these concerns. By allowing the cost of solar installations to be financed over the same repayment period as housing loans, the government can reduce electricity expenses, improve household energy security, and enhance the resilience of communities against power interruptions and future energy price volatility. Such an approach likewise advances the country's commitments under the Philippine Energy Plan and its nationally determined contributions to reduce greenhouse gas emissions while promoting inclusive economic development.³

This measure therefore seeks to establish the Solar ng Tahanan: Financing Program for Solar Home Systems in Social Housing, which shall integrate the financing of solar home systems into existing and future social housing programs. Through affordable and long-term financing arrangements, the proposed measure will expand access to clean and reliable electricity, lower household energy expenditures, improve the quality of life of socialized housing beneficiaries, and strengthen the country's transition toward a more sustainable, resilient, and inclusive energy future.

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


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³ Department of Energy, Philippine Energy Plan 2023–2050; Republic Act No. 9513 (Renewable Energy Act of 2008); National Economic and Development Authority (NEDA), Philippine Development Plan 2023–2028; Republic of the Philippines, Nationally Determined Contribution (NDC) Implementation Plan.

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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 "*Power sa Mamamayan Act*"

SEC. 2. Declaration of Policy. – It is the policy of the State to uphold the constitutional right of every Filipino to decent, affordable, and sustainable housing with access to basic services, including reliable and affordable electricity. The State shall ensure that informal settler families (ISFs), particularly those displaced by disasters, infrastructure projects, or living in danger zones, are provided with safe, climate-resilient communities that promote their welfare and quality of life.

In pursuit of sustainable development and climate resilience, the State shall promote the integration of renewable energy, particularly solar energy systems, into social housing programs. It shall support the adoption of clean, affordable, and reliable energy solutions that reduce greenhouse gas emissions, improve household energy security, and expand access to electricity for low-income communities.

SEC. 3. Definition of Terms.

- a. *Solar Energy* — refers to energy derived from solar radiation that can be converted into useful thermal or electrical energy.
- b. *Solar Energy Systems* — refers to energy systems that 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 means of supplying electricity for lighting and household appliances to remote off-grid households. Depending on viability, SHS may be grid-tied, 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 is charged only for net electricity consumption while receiving credit for any excess electricity contributed to the 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* — refer to electrical systems composed of interconnected transmission lines, distribution lines, substations, and related facilities for the conveyance of bulk power through the Philippine grid.
- g. *Renewable Energy Systems* — refer to energy systems that convert renewable energy resources into useful forms of energy such as electrical or mechanical energy.
- h. *Rural Electrification* — refers to the delivery of basic electricity services consisting of power generation, sub-transmission, and/or extension of associated power delivery systems that bring important social and economic benefits to the countryside.

SEC. 4. Financing Program for Solar Home Systems in Social Housing. — All current and future social housing financing programs shall integrate a financing program for Solar Home Systems to defray the up-front investment of poor families and communities in solar PV installations and provide secure, clean, and environmentally 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 shall be allocated for SHS financing based on the prevailing market cost of solar home systems, in addition to the cost of housing production.

The financing program, which may take the form of loans, grants, or equity contributions from shelter agencies, shall be designed so that households' electricity-related expenditures over the medium term will not exceed what they would have spent had they been connected to the conventional electricity grid.

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 during the first phase of resettlement project implementation to orient informal settler families regarding the SHS Financing Program.

SEC. 6. Congressional Oversight. — Upon the effectivity of this Act, the Joint Congressional Energy Commission shall exercise oversight powers over its implementation.

SEC. 7. Appropriations. — The amount necessary for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 8. Implementing Rules and Regulations. — The Department of Human Settlements and Urban Development (DHSUD), the NHA, and the SHFC, in coordination with the Department of Energy (DOE), the Department of the

Interior and Local Government (DILG), and other concerned government agencies, shall promulgate the necessary implementing rules and regulations within thirty (30) days from the effectivity of this Act.

SEC. 9. *Separability Clause.* – If any provision or part of this Act is held invalid or unconstitutional, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation inconsistent with the provisions of this Act is hereby repealed, modified, or amended accordingly.

SEC. 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,