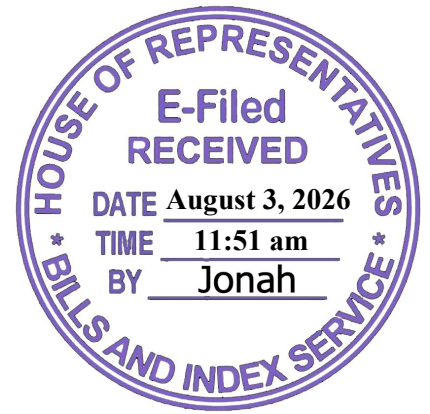


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
20TH CONGRESS
Second Regular Session

House Bill No. 10483



Introduced by: **REP. JOEL R. CHUA**

EXPLANATORY NOTE

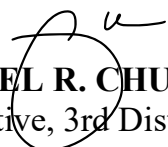
The Philippines continues to face rising electricity costs and increasing demand for reliable and sustainable sources of energy. In recent years, the government has intensified efforts to expand renewable energy development and encourage greater consumer participation in the country's energy transition. However, many households, businesses, and institutions seeking to install rooftop solar and other distributed renewable energy systems continue to encounter delays, burdensome procedures, and inadequate incentives in availing of net metering services.

Net metering enables consumers to generate electricity for their own use and export excess power to the grid, thereby reducing electricity costs, improving energy security, and supporting the country's renewable energy goals. While existing policies have established a framework for net metering, there remains a need to institutionalize a streamlined, transparent, and consumer-friendly system that will encourage its wider adoption.

This measure seeks to simplify and expedite the net metering application process, establish a centralized digital platform for applications and monitoring, strengthen consumer protections, improve compensation for excess electricity supplied to the grid, and expand opportunities for shared and community-based net metering arrangements.

By empowering consumers to become active participants in electricity generation, this measure will help accelerate the transition to clean energy, enhance energy resilience, and contribute to a more sustainable and affordable energy future for all Filipinos.

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


JOEL R. CHUA
Representative, 3rd District, Manila

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Introduced by: **REP. JOEL R. CHUA**

**AN ACT INSTITUTIONALIZING ACCESSIBLE AND EFFICIENT NET
METERING, AND STRENGTHENING INCENTIVES FOR
DISTRIBUTED RENEWABLE ENERGY SYSTEMS**

*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 “Accessible and
Efficient Net Metering Act”.

Section 2. *Declaration of Policy.* – Article XII, Section 2 of the
Constitution mandates the State to promote the development and utilization of
the nation's natural resources for the benefit of the people.

Towards this end, the State shall promote the widespread adoption of renewable
energy technologies and empower electricity consumers to participate in energy
generation. It shall ensure that net metering services are accessible, efficient,
transparent, affordable, and beneficial to consumers by institutionalizing
simplified procedures and enhancing incentives for distributed renewable
energy.

Section 3. *Definition of Terms.* – As used in this Act, the following terms
shall mean:

- (a) “Net Metering” refers to the system whereby a qualified end-user with an
eligible renewable energy facility is allowed to generate electricity for its own
use and deliver excess electricity to the distribution system of a distribution
utility or electric cooperative and receive corresponding credits therefor;
- (b) “Distributed Renewable Energy System” refers to a renewable energy facility
installed at or near the premises of an end-user and connected to the distribution
system;

(c) “Distribution Utility” or “DU” refers to any electric cooperative, private distribution utility, or entity authorized to distribute electricity to end-users;

(d) “Qualified End-User” refers to any residential, commercial, industrial, institutional, or agricultural electricity consumer eligible to participate in net metering;

(e) “Department” refers to the Department of Energy (DOE);

(f) “Commission” refers to the Energy Regulatory Commission (ERC).

Section 4. *Statutory Right to Net Metering.* – Every qualified end-user shall have the right to apply for and avail of net metering, subject only to technical and safety standards prescribed by law and regulation.

No distribution utility, electric cooperative, local government unit, or government agency shall impose documentary requirements, fees, conditions, or procedures beyond those authorized by the Department, the Commission, or applicable laws.

Section 5. *Processing Period for Applications.* – Applications for net metering shall be processed within the period prescribed by the Department of Energy and other relevant agencies, which in no case shall be more than ten (10) working days.

Such period shall constitute the maximum allowable processing period for all applications involving distribution utilities, electric cooperatives, local government units, and other concerned government offices.

Failure to act within the prescribed period without lawful justification shall constitute unreasonable delay and shall subject the responsible entity or personnel to the penalties provided under this Act and other applicable laws.

Section 6. *Automatic Approval and Consumer Protection.* – Where a complete application remains unresolved beyond the maximum processing period prescribed by the Department, the application shall be deemed approved, subject to compliance with technical and safety requirements.

The distribution utility or electric cooperative shall immediately facilitate interconnection and installation of the appropriate net metering facilities.

Any unreasonable refusal, delay, obstruction, or imposition of unauthorized requirements shall constitute a violation of this Act.

Section 7. *National Net Metering Portal.* – Within one (1) year from the effectivity of this Act, the Department shall establish and maintain a centralized digital Net Metering Portal that shall serve as a one-stop platform for:

- (a) Filing of applications;
- (b) Submission of documentary requirements;
- (c) Monitoring of application status;
- (d) Submission of complaints and appeals; and
- (e) Publication of processing timelines and performance reports.

All distribution utilities and electric cooperatives shall integrate their net metering systems with the National Net Metering Portal.

Section 8. *Net Metering Consumer Assistance Desk.* – All distribution utilities, electric cooperatives, and relevant government agencies shall establish dedicated Net Metering Consumer Assistance Desks to provide technical guidance, facilitate applications, and address consumer complaints.

Section 9. *Enhanced Compensation for Excess Generation.* – The Commission shall, within six (6) months from the effectivity of this Act, review and revise the methodology for determining credits for excess electricity exported to the grid to ensure that participating consumers receive fair and reasonable compensation.

In determining the compensation mechanism, the Commission shall consider:

- (a) The value of avoided generation costs;
- (b) Environmental and social benefits;
- (c) Grid support services;
- (d) Peak demand reduction benefits; and
- (e) Other measurable economic benefits arising from distributed renewable energy generation.

Section 10. *Shared and Community Net Metering.* – The Department and the Commission shall formulate rules allowing condominium corporations, homeowners' associations, cooperatives, local government units, and similar entities to participate in shared or community-based net metering arrangements.

Section 11. *Transparency and Performance Monitoring.* – The Department shall publish quarterly reports containing:

- (a) Number of applications received;

- (b) Number of applications approved and denied;
- (c) Average processing time;
- (d) Compliance rates of distribution utilities and electric cooperatives; and
- (e) Consumer complaints and resolutions.

Such reports shall be publicly available through the National Net Metering Portal.

Section 12. *Prohibited Acts.* – It shall be unlawful for any distribution utility, electric cooperative, government office, or responsible personnel to:

- (a) Refuse to accept a complete application without lawful basis;
- (b) Impose unauthorized requirements or fees;
- (c) Delay processing beyond the allowable period without justifiable reason;
- (d) Discriminate against qualified applicants;
- (e) Refuse interconnection despite compliance with technical requirements; or
- (f) Engage in any act intended to frustrate the implementation of net metering.

Section 13. *Penalties.* – The Energy Regulatory Commission (ERC), after due notice and hearing, may impose administrative fines of not less than Fifty Thousand Pesos (₱50,000.00) but not more than Five Hundred Thousand Pesos (₱500,000.00) for each violation of this Act or its implementing rules and regulations committed by any distribution utility, electric cooperative, or responsible officer.

The imposition of such penalties shall be without prejudice to other administrative, civil, or criminal liabilities provided under existing laws.

In the case of government officers or employees, violations of this Act shall likewise be subject to appropriate administrative sanctions under applicable laws and regulations.

Section 14. *Appropriations.* – The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the Department. Thereafter, such sums as may be necessary shall be included in the annual General Appropriations Act.

Section 15. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Department, in coordination with the

Energy Regulatory Commission, Department of the Interior and Local Government, Department of Trade and Industry, and other concerned agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

Section 16. *Separability Clause.* – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall continue to be in full force and effect.

Section 17. *Repealing Clause.* – All laws, executive orders, and administrative orders or parts thereof inconsistent with any provision of this Act are hereby repealed or amended accordingly.

Section 18. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.