

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 10704



Introduced by **REPRESENTATIVE JESUS “Jess” R. MARQUEZ**

EXPLANATORY NOTE

This bill seeks to promote the responsible and wider adoption of behind-the-meter electricity generation and energy storage systems by simplifying regulatory requirements, removing unnecessary restrictions, and establishing clear and uniform procedures for their installation and, when necessary, interconnection with the distribution system.

Reliable, affordable, and sustainable electricity is essential to the daily lives of Filipino families, the growth of businesses, and the continued development of our communities. Today, consumers have greater access to technologies such as rooftop solar panels, battery energy storage systems, and other distributed energy resources that allow them to generate and store electricity primarily for their own use. These technologies can reduce electricity expenses, improve the reliability of power supply, and lessen dependence on the electric grid.

However, consumers continue to encounter unnecessary procedures, regulatory requirements, and restrictions before they can install and operate these systems, even when such systems are intended solely for their own use and do not affect the public electricity network. Subjecting consumer-owned systems to requirements designed for commercial power producers may impose disproportionate burdens, discourage investment, and prevent households and businesses from taking advantage of technologies that can contribute to greater energy efficiency and resilience.

Through this measure, consumers who generate or store electricity solely for their own should not necessarily be subjected to regulations intended for commercial power producers. Where interconnection with the distribution system is necessary, this measure seeks to establish clear, transparent, predictable, and uniform procedures that protect the safety and reliability of the electric power system without creating unreasonable barriers to adoption.

The measure is consistent with the energy priorities articulated by President Ferdinand R. Marcos Jr. in his 2026 State of the Nation Address, particularly the need to ensure reliable and affordable electricity and strengthen the country's energy security. Enabling consumers to generate and store electricity for their own use can complement the government's efforts to develop a more resilient, sustainable, and secure energy sector.

By removing unnecessary regulatory obstacles while preserving appropriate safety, technical, and regulatory standards, this bill empowers Filipino consumers to take a more active role in meeting their own energy needs. It promotes consumer choice, encourages investment in modern and cleaner energy technologies, supports energy security, 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.


HON. JESUS “Jess” E. MARQUEZ

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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:

1 **SECTION 1. Short Title.** – This Act shall be known as the “*Sariling Kuryente*
2 *Act.*”

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

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

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

13 **AN END-USER THAT INSTALLS AND OPERATES A**
14 **BEHIND-THE-METER ELECTRICITY GENERATION OR**
15 **ENERGY STORAGE SYSTEM FOR ITS OWN USE SHALL**
16 **NOT, BY REASON THEREOF, BE CONSIDERED A**
17 **GENERATION COMPANY. A SYSTEM USING EQUIPMENT**
18 **CERTIFIED UNDER STANDARDS RECOGNIZED BY THE**
19 **ERC TO PREVENT THE EXPORT OF ELECTRICITY TO THE**
20 **DISTRIBUTION SYSTEM SHALL NOT REQUIRE A**
21 **CERTIFICATE OF COMPLIANCE OR OTHER PRIOR**
22 **AUTHORIZATION FROM THE ERC.**

23 x x x.”

24
25 **SEC. 3. Functions of Distribution Utilities.** – Section 23 of Republic Act No. 9136
26 is hereby amended to read as follows:

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

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

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

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

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

33 x x x.”

34
35 **SEC. 4. Powers and Functions of the Department of Energy.** – Section 37 of
36 Republic Act No. 9136 is hereby amended by adding a new paragraph (r), to read as
37 follows:

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

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

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

43 **(R) PROMOTE THE WIDESPREAD ADOPTION OF**
44 **BEHIND-THE-METER ELECTRICITY GENERATION AND**
45 **ENERGY STORAGE SYSTEMS; COORDINATE THE**
46 **REMOVAL OF NATIONAL AND LOCAL ADMINISTRATIVE**
47 **BARRIERS TO THEIR INSTALLATION; FACILITATE**

1 **ACCESS TO FINANCING, QUALIFIED INSTALLERS, AND**
2 **RELIABLE EQUIPMENT; AND DEVELOP AND**
3 **DISSEMINATE INFORMATION AND TECHNICAL**
4 **GUIDANCE NECESSARY FOR THEIR DEVELOPMENT.”**
5

6 **SEC. 5. *Protection Against Unreasonable Restrictions.*** – No homeowners’
7 association, subdivision developer, property manager, or similar entity shall prohibit the
8 installation of a behind-the-meter electricity generation or energy storage system on
9 property owned or exclusively controlled by an end-user. Reasonable requirements may
10 be imposed only for structural safety, public safety, or the protection of common property.
11 For this purpose, the Department of Energy shall develop and publish model rules that
12 such entities may adopt.
13

14 **SEC. 6. *Implementing Rules and Regulations.*** – Within ninety (90) days from the
15 effectivity of this Act, the Department of Energy, in consultation with the Energy
16 Regulatory Commission and other relevant government agencies and stakeholders, shall
17 promulgate the implementing rules and regulations of this Act.
18

19 **SEC. 7. *Separability Clause.*** – If any provision of this Act is declared
20 unconstitutional or invalid, the other provisions not affected thereby shall remain in full
21 force and effect.
22

23 **SEC. 8. *Repealing Clause.*** – All laws, decrees, executive orders, rules and
24 regulations, and other issuances or parts thereof inconsistent with this Act are hereby
25 repealed or modified accordingly.
26

27 **SEC. 9. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication
28 in the Official Gazette or in a newspaper of general circulation.
29

30 *Approved,*