



Republic of the Philippines
DEPARTMENT OF ENERGY

FEB 03 2010

DEPARTMENT CIRCULAR NO. DC 2010 - 02 - 0001

**CREATION OF STEERING COMMITTEE ON THE ESTABLISHMENT OF
RENEWABLE ENERGY MARKET**

WHEREAS, Section 2 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), declares as a policy of State to, among others, promote the utilization of indigenous and new and renewable energy resources in power generation in order to reduce dependence on imported energy;

WHEREAS, Section 37 of the EPIRA mandates the Department of Energy (DOE) to supervise the restructuring of the electricity industry, in addition to its existing powers and functions;

WHEREAS, Section 6 of Republic Act No. 9513, otherwise known as the Renewable Energy Act of 2008 (RE Law), provides that all stakeholders in the electric power industry shall contribute to the general growth of the renewable energy industry in the country;

WHEREAS, the RE law mandates the establishment of Renewable Energy Market (REM) where the trading of RE Certificates equivalent to an amount of power generated from RE resources is made;

WHEREAS, the DOE, as the supervisor of the electric power industry, is mandated to establish the framework that will govern the operation of the REM and thereafter direct the PEMC to implement changes to incorporate the rules specific to the operation of REM under the WESM within one (1) year from the effectivity of the RE Law;

NOW THEREFORE, from the foregoing premises and in compliance with the RE Law and EPIRA, the DOE hereby creates the "Steering Committee on the Establishment of Renewable Energy Market".

SECTION 1. Composition. The Steering Committee shall be comprised of the following:

CHAIRMAN: Department of Energy (DOE)

MEMBERS: Philippine Electricity Market Corporation (PEMC)
Power Sector Assets and Liabilities Management
Corporation (PSALM)

National Electrification Administration (NEA)
National Grid Corporation of the Philippines (NGCP)
National Power Corporation (NPC)
National Transmission Corporation (TRANSCO)

SECTION 2. Functions of the Steering Committee. The Steering Committee on the Establishment of the Renewable Energy Market shall perform the following functions:

1. Formulate and establish the framework that will govern the operation of the REM;
2. Devise the timelines, action plans and target implementation schedule of the establishment of the REM;
3. Prepare rules and other necessary documents which will incorporate changes in the WESM Rules including the creation of the Renewable Energy Registrar;
4. Assess and evaluate all issues pertinent to the operationalization of the REM;
5. Coordinate activities of various entities and stakeholders involved in the establishment of REM; and
6. Perform such other functions as may be necessary and delegated to it by the DOE to ensure the smooth and expeditious establishment of the REM.

SECTION 3. Responsibilities of Each Member Agency. Each member agency is hereby given the following responsibilities to assist the Committee in the performance of its duties:

1. Prepare and implement action plans and undertake all activities for the operationalization of the REM in accordance with the policy direction of the DOE;
2. Regularly provide the Committee updates and reports on key items, issues/concerns identified attendant on the establishment of the REM and corresponding recommended options/actions;
3. Ensure the mutual cooperation by and among the entities involved and allow the Committee access to information on relevant matters; and
4. Perform such other functions as may be necessary and delegated to it by the Committee to ensure the smooth and expeditious establishment of the REM.

SECTION 4. Additional Responsibilities of PEMC. The PEMC shall have the following additional responsibilities:

1. Formulate rules specific to the operation of REM and incorporate the changes in the WESM Rules;
2. Establish the Renewable Energy Registrar and devise the appropriate manual which will govern the functions and responsibilities of the RE Registrar; and
3. Develop the market fee rates which will be charged to eligible RE facilities registered under the RE Market.

The PEMC, as a member of the NREB, shall be responsible for the development of REM and will coordinate with the various NREB technical working groups' (TWGs) all activities relevant to this undertaking. PEMC representatives under the NREB TWGs shall immediately turn over all existing assignments to the NREB Secretariat to be able to assume this responsibility.

SECTION 5. Meetings. The Committee shall meet regularly once every two weeks and as often as necessary with due consideration to the exigency of the issues at hand or upon the directive of the Chairman.

SECTION 6. Effectivity. This Circular shall take effect immediately fifteen (15) days from its publication in a newspaper of general circulation.

Signed this ____ day of January 2010 at the DOE, Energy Center, Merritt Road, Fort Bonifacio, Taguig City, Metro Manila.


ANGELO T. REYES
Secretary

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