



DEPARTMENT CIRCULAR NO. DC 2025-10-0020

**SUPPLEMENTAL POLICY TO THE NET-METERING PROGRAM INTEGRATING
RENEWABLE ENERGY CERTIFICATE TRADING AND MULTI-SITE AND
AGGREGATE NET-METERING TO ENHANCE PARTICIPANT BENEFITS AND
MARKET ACCESS**

WHEREAS, Republic Act (RA) No. 9136, otherwise known as the “*Electric Power Industry Reform Act of 2001*” (EPIRA), declares the policy of the State to, among others: (a) assure socially and environmentally compatible energy sources and infrastructure; and (b) promote the utilization of indigenous and new and renewable energy (RE) resources in power generation in order to reduce dependence on imported energy;

WHEREAS, RA No. 9513, otherwise known as the “*Renewable Energy Act of 2008*” (RE Act), declares the policy of the State to accelerate the exploration and development of RE resources, including hybrid systems, to achieve energy self-reliance, through the adoption of sustainable energy development strategies to reduce the country’s dependence on fossil fuels and thereby minimize the country’s exposure to price fluctuations in the international markets, the effects of which spiral down to almost all sectors of the economy;

WHEREAS, the RE Act further declares the policy of the State to increase the utilization of RE by institutionalizing the development of national and local capabilities in the use of RE Systems, and promoting their efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;

WHEREAS, pursuant to Section 10 of the RE Act, subject to technical considerations and without discrimination and upon request by distribution end-users, the distribution utilities (DUs) shall enter into net-metering agreements with qualified end-users who will be installing the RE System;

WHEREAS, on 22 December 2017, the Department of Energy (DOE) issued the Department Circular (DC) No. DC2017-12-0015 entitled, “*Promulgating the Rules and Guidelines Governing the Establishment of the Renewable Portfolio Standards for On-Grid Areas*” (RPS On-Grid Rules), which provides that energy generated by Eligible RE Facilities under the Net-Metering Program is eligible to earn RE Certificates (REC), which shall be credited as one of the mechanisms that DUs may apply toward compliance with their obligations as Mandated Participants under the RPS On-Grid Rules;

WHEREAS, on 22 October 2020, the DOE issued the DC No. DC2020-10-0022, entitled “*Prescribing the Policies to Enhance the Net-Metering Program for Renewable Energy Systems*”;

WHEREAS, on 19 August 2024, the DOE issued the DC No. DC2024-08-0025, entitled "Prescribing Further Policies to Enhance the Net-Metering Program for Renewable Energy Systems Amending, for this Purpose, Department Circular (DC) No. DC2020-10-0020" to address issues on the banking of Net-Metering Credits and the REC meter;

WHEREAS, on 27 August 2025, the Energy Regulatory Commission (ERC) issued the Resolution No. 15, Series of 2025, entitled "A Resolution Amending ERC Resolution No. 6, Series of 2019, Entitled 'A Resolution Adopting the Amendments to the Rules Enabling the Net-Metering Program for Renewable Energy'" to align with DOE policies and introduce key amendments strengthening consumer protection and streamlining processes;

WHEREAS, the DOE identified various issues and concerns regarding barriers to participation and REC ownership under the Net-Metering Program; and

WHEREAS, on 13 May 2025, the DOE conducted public consultation through Microsoft Teams and Facebook Live on the proposed supplemental policy for the Net-Metering Program to address these issues and concerns and to increase end-user participation in achieving RE targets.

NOW, THEREFORE, in consideration of the foregoing, the DOE hereby issues and promulgates the following policies to enhance the implementation of the Net-Metering Program:

Section 1. REC Ownership. In relation to the implementation of Section 15 of the RPS On-Grid Rules, the RECs from Net-Metering arrangements shall be allocated as follows:

- (a) RECs generated from own use under Net-Metering arrangements shall be allocated to the Qualified End-User.
- (b) RECs generated from exported energy under Net-Metering arrangements shall be allocated to the DU.

Exported energy shall be included in the Net Electricity Sales of the DU for the calculation of its RPS requirement.

Section 2. Trading. RECs, whether from own use or exported energy under Net-Metering arrangements, may be sold or traded through the Renewable Energy Market (REM) or other equivalent markets as may be specified by the DOE through the issuance of subsequent policies and guidelines.

Section 3. Multi-Site and Aggregate Net-Metering.

- 3.1. A Qualified End-User may share or distribute available Net-Metering Credits to other electricity accounts registered under the same Qualified End-User within the same DU franchise area.
- 3.2. DUs shall enable allocation of Net Metering Credits between or among multiple electricity accounts using appropriate technology, which may include advanced metering infrastructure (AMI) and digital tracking systems.

For purposes of this section, "Net-Metering Credit" refers to an amount in peso from net energy exported into the Distribution System by a Qualified End-User.

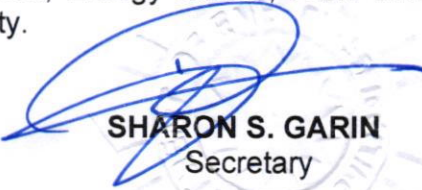
Section 4. Regulatory Support. The ERC is enjoined to issue necessary regulatory provisions for the implementation of the abovementioned policies.

Section 5. Separability Clause. If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 6. Repealing Clause. Any prior issuances, orders or circulars inconsistent with this Circular are hereby repealed, amended or modified accordingly.

Section 7. Effectivity. This Circular shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation. Copies of this Circular shall be filed with the University of the Philippines Law Center – Office of the National Administrative Register.

Issued this OCT 03 2025 at DOE, Energy Center, Rizal Drive corner 34th Street, Bonifacio Global City, Taguig City.


SHARON S. GARIN
Secretary

