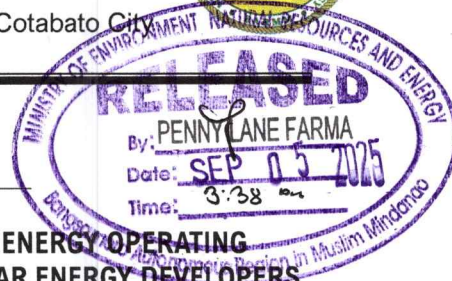




Republic of the Philippines
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO
Ministry of Environment, Natural Resources, and Energy
OFFICE OF THE MINISTER

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MENRE MEMORANDUM CIRCULAR NO. MC2025- 01

GUIDELINES GOVERNING THE AWARD AND ADMINISTRATION OF SOLAR ENERGY OPERATING CONTRACTS UNDER DIRECT APPLICATIONS AND THE REGISTRATION OF SOLAR ENERGY DEVELOPERS

WHEREAS, pursuant to Section 2, Article XII of the 1987 Philippine Constitution, all forces of potential energy and other natural resources within the Philippine territory belong to the State and their exploration, development and utilization shall be under the full control and supervision of the State;

WHEREAS, solar, hydropower, wind, geothermal, biomass and waste-to-energy resources, ocean and tidal energy resources are renewable energy sources for the country;

WHEREAS, under Section 4 of Republic Act (RA) No. 7638, as amended, otherwise known as the "Department of Energy Act of 1992", the Department of Energy (DOE) is mandated to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Government relative to energy exploration, development, utilization, distribution and conservation, among others;

WHEREAS, Section 5(b) of the same Act empowers the DOE to develop and update the existing Philippine energy program which shall provide for an integrated and comprehensive exploration, development, utilization, distribution and conservation of energy resources, with preferential bias for environment-friendly, indigenous, and low-cost sources of energy, and which program shall include a policy direction towards the privatization of government agencies related to energy, deregulation of the power and energy industry and reduction of dependency on oil-fired plants;

WHEREAS, Section 2 of RA 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" or "EPIRA", declares that it is the policy of the State to, among others, (i) ensure and accelerate the total electrification of the country; (ii) enhance the inflow of private capital and broaden the ownership base of the power generation, transmission and distribution sectors; (iii) assure socially and environmentally compatible energy sources and infrastructure; and (iv) promote the utilization of indigenous and new and renewable energy (RE) resources in power generation in order to reduce dependence on imported energy;

WHEREAS, Section 2 of RA 9513, otherwise known as the "Renewable Energy Act of 2008" or "RE Act", directs the State to encourage and accelerate the exploration, development and utilization of RE resources such as, but not limited to, biomass, solar, wind, hydropower, geothermal, and ocean energy sources, and including hybrid systems;

WHEREAS, Section 19(c), Rule 6 of Department Circular (DC) No. DC2009-05-0008 which prescribes the Implementing Rules and Regulations (IRR) of the RE Act, requires the DOE to issue a regulatory framework containing the guidelines that shall govern the transparent and competitive system of awarding RE Service/Operating Contracts from Pre-Development to Development into Commercial Operations Stage, or the awarding of direct operating contracts to specific RE technologies, among others;

WHEREAS, under Section 2 of RA 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018", it is the duty of the State to, among others, promote integrity, accountability, proper management of public affairs and public property, aimed at efficient turnaround of the delivery of government services and the prevention of graft and corruption in government;

WHEREAS, in Section 2 of RA 11234, otherwise known as the "Energy Virtual One Stop Shop Act" or "EVOSS Act", the State is likewise commanded to, among others, ensure transparency and accountability in the process of approving power generation, transmission, or distribution projects, and deliver efficient and effective service to the public;

WHEREAS, on 04 June 2024, the DOE promulgated DC No. DC2024-06-0018, otherwise known as the "Revised Omnibus Guidelines Governing the Award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers" to integrate its issuances and recent policies for an effective and efficient award and administration of RE Contracts and registration of RE Developers;

WHEREAS, RA No. 11054, also known as the "Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) or the "Bangsamoro Organic Law" (BOL) was ratified on January 21, 2019, and established the "Bangsamoro Autonomous Region in Muslim Mindanao", a political entity that exercises authority over various matters, including those on natural resources;

WHEREAS, Section 8, Article XIII of the BOL, confers to the Bangsamoro Government, the power, authority, and right to explore, develop, and utilize natural resources, including, among others, renewable resources within the Bangsamoro region in Muslim Mindanao;

WHEREAS, Section 2, Article VI of the BOL, created a National Government - Bangsamoro Government Intergovernmental Relations Body, referred to as "Intergovernmental Relations Body" (IGRB), to coordinate and resolve issues on intergovernmental relations through regular consultation and continuing negotiations in a non-adversarial manner;

WHEREAS, Section 7, Article VI of the BOL, created an Intergovernmental Energy Board (IEB), to resolve all matters specified under Section 36, Article XIII of the BOL and other energy issues referred to it by the IGRB;

WHEREAS, the IEB created the Renewable Energy Development and Utilization Technical Working Group (REDU-TWG) to resolve matters concerning the assumption of the powers, functions, and responsibilities of the REMB by the MENRE, pursuant to Section 32 of RA No. 9513, among other related concerns;

WHEREAS, on 27 November 2024, the DOE and Ministry of Environment, Natural Resources, and Energy (MENRE) has entered into a Transition Agreement on the Implementation of the Provisions of the Republic Act No. 9513, Otherwise Known As "Renewable Energy Act of 2008", by the Bangsamoro Government Within its Territorial Jurisdiction, to ensure and facilitate the seamless and smooth transfer of powers, functions, and responsibilities previously exercised by the DOE-Renewable Energy Management Bureau (REMB) to MENRE;

WHEREAS, as outlined in the Transition Agreement, and with the continued guidance and support from the DOE for institutional strengthening, MENRE is currently formulating the guidelines for the award and administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers within the Bangsamoro Autonomous Region in Muslim Mindanao, in view of exercising its newly transferred powers and functions;

WHEREAS, MENRE has already begun receiving expressions of interest from prospective developers for the development of Solar Energy projects in the region, highlighting the urgency to establish clear, transparent, and streamlined guidelines for the award and administration of Solar Energy Operating Contracts under Direct Applications, as well as for the Registration of Solar Energy Developers within the Bangsamoro Autonomous Region in Muslim Mindanao.

WHEREAS, in compliance with Republic Act No. 11234 and its Implementing Rules and Regulations, MENRE acknowledges the critical role of the EVOSS platform in streamlining permitting processes for energy

projects, but has requested the deferment of integration of its processes pending full compliance with technical, procedural, and documentary requirements to ensure continuity of services and avoid potential delays;

WHEREAS, during the 20th EVOSS Steering Committee (ESC) Meeting held on 3 July 2025, the Committee approved the request of the Ministry of Environment, Natural Resources, and Energy (MENRE-BARMM) for a temporary deferment of its integration into the Energy Virtual One-Stop Shop (EVOSS) System, subject to the submission of a fixed and detailed timeline to ensure that the integration process remains on track and consistent with the objectives of Republic Act No. 11234 (EVOSS Act);

NOW, THEREFORE, in consideration of the foregoing premises, the MENRE hereby issues the following guidelines and procedures governing the award of Solar Energy Operating Contracts, and the registration and administration of Solar Energy Projects:

CHAPTER I - GENERAL PROVISIONS

- 1. Title.** This Circular shall be known as the "Guidelines Governing the Award and Administration of Solar Energy Operating Contracts under Direct Applications and the Registration of Solar Energy Developers".
- 2. Coverage.** This Circular shall prescribe the guidelines and procedures on:
 - 2.1. The pre-application, application, and award of Solar Energy Operating Contracts (SEOC);
 - 2.2. The issuance by the MENRE of Certificates of Registration (COR) for Solar Energy Developers of projects with or without SEOC; and
 - 2.3. The administration of SEOCs.
- 3. Definition of Terms.** As used in this Circular, the following terms shall be understood to mean:
 - 3.1. The "Bangsamoro Director-General for Energy" or "BDG for Energy" is an official of the MENRE, directly reporting to the MENRE Minister, and is responsible for overseeing the administration, programs and strategic plan of the Ministry, with respect to Energy.
 - 3.2. "Blocking System" refers to the subdivision of the Philippines, for purposes of RE Applications for wind, geothermal and ocean resources, into RE meridional blocks (RE blocks) of thirty (30) seconds of latitude and thirty (30) seconds of longitude using the Philippine Reference System of 1992 (PRS'92) as the standard reference system. One (1) RE block shall have an approximate area of eighty-one (81) hectares. Each block shall have a unique number designated by the DOE.
 - 3.3. "Certificate of Authority" or "COA" refers to the certificate duly signed by the MENRE Minister exclusively authorizing an RE Developer to procure the necessary permits and tenurial instruments for the exploration, development, construction and installation, and commercial operation of the RE Project and conduct reconnaissance and other activities needed for pre-feasibility studies, as applicable, within the area specified in the certificate. The COA grants an RE Developer the privilege to procure the aforesaid permits and tenurial instruments outside of the contract term.
 - 3.4. "Certificate of Registration" or "COR" refers to the certificate issued by the MENRE that serves as the proof that an RE Developer has registered with the MENRE.

- 3.5. "Commercial Operations" refers to the phase commencing at the operation of the RE Project, following its successful testing and commissioning, and confirming its readiness to inject power into the grid to sell or supply its produced energy, as duly confirmed by the Energy Regulatory Commission (ERC).
- 3.6. "Commercial Quantities" refers to quantities of energy to be produced from the RE Resources using commercially available technology to develop the RE systems which have a reasonable chance of being sufficient and technically compliant to support the Commercial Operations of the RE Project.
- 3.7. "Contract Area" refers to the total area, which is the subject of the RE Contract as detailed and outlined in the map with its technical description, and where the RE Developer has the exclusive right to explore, develop and utilize the RE Resources: Provided, That for SEOC as defined below, the Contract Area refers to the project site.
- 3.8. "Contract Year" refers to a period of twelve (12) consecutive calendar months counted from the Effective Date of the RE Contract and thereafter, from the anniversary of such Effective Date.
- 3.9. "Direct Application" refers to the mode of RE Application whereby the RE Applicant identifies a Contract Area it wishes to explore and develop. The identified Contract Area must first be certified by the MENRE to be free and open for exploration or development.
- 3.10. "Energy Management and Development Services" or "EMDS" is the Services under the MENRE mandated to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Bangsamoro Government relative to energy exploration, development, utilization, distribution and conservation, among others.
- 3.11. "Financial Closing" refers to such milestone when the RE Developer has secured a written commitment from the financier/s to provide its full funding requirements through equity and/or commercial borrowings, or other financing schemes for the RE Project to transition from the Pre-Development to Development Stage, in the case RE Service Contracts, or to transition from Development to Commercial Stage, in the case of RE Operating Contracts.
- 3.12. "Force Majeure" refers to extraordinary events not foreseeable or avoidable, events that could not be foreseen, or which, though foreseen, are inevitable.
- 3.13. "Information Technology and Management Section" or "ITMS" refers to the unit of the MENRE mandated to, among others, implement policies, plans, and programs relative to information and communications technology, geo-informatics, and data and information management in BARMM.
- 3.14. "Legal and Legislative Liaison Division" or "LLLD" is a Division of MENRE that handles, among others, the preparation, drafting, review, negotiations, finalization, interpretation, filing and monitoring of compliance relative to all contracts, endorsements and other related renewable energy activities involving the Ministry.
- 3.15. "Letter of Intent" or "LOI" refers to the written notice or document submitted by a Person to the MENRE, indicating interest in the exploration, development, utilization and commercialization of RE Resource.
- 3.16. "Person" refers to a natural or juridical person, as the case may be.

- 3.17. "RE Applicant" refers to any Person, subject to the limitations provided in this Circular, who applies for the assessment, exploration, harnessing, development, utilization and commercialization of RE Resources.
- 3.18. "RE Application" refers to the set of documents submitted by an RE Applicant pertaining to its legal, technical and financial qualifications to enter into an RE Contract with the government, through Direct Application, in accordance with the requirements under this Circular.
- 3.19. "RE Contract" refers to the service agreement between the Government, through the MENRE, and an RE Developer over an appropriate period as determined by the MENRE which grants to the RE Developer the exclusive right to explore, develop, or utilize the RE Resource within a particular area. The RE Contract may be in the nature of a financial or technical assistance agreement which shall be entered into by the Government, through the President of the Philippines, pursuant to Article XII, Section 2 of the Philippine Constitution.
- 3.20. "RE Developer" refers to an individual or juridical entity created, registered and/or authorized to operate in the Philippines in accordance with existing Philippine laws, and engaged in the exploration, development and/or utilization of RE Resources, and actual operation of RE Project. It shall include existing entities engaged in the exploration, development and/or utilization of RE Resources, or the generation of electricity from RE Resources, or both.
- 3.21. "Renewable Energy Management Section" or "REMS" refers to the unit under the EMDS of MENRE mandated to, among others, implement policies, plans, and programs aimed at accelerating the development, transformation, utilization, and commercialization of RE Resources and technologies in the BARMM.
- 3.22. "RE Operating Contract" refers to the service agreement between the DOE and an RE Developer for the development and/or utilization of biomass, solar, wind and other RE Resources as may be determined by the DOE which, due to their inherent technical characteristics, need not go through Pre-Development Stage.
- 3.23. "RE Project" refers to the power generation and related facilities utilizing RE Resources under a particular RE Contract or COR issued by the DOE pursuant to the RE Act.
- 3.24. "RE Project for Non-Commercial Operations" refers to an RE Project which is intended for demonstration purposes of any new or modified RE technologies, and those that are covered by Official Development Assistance (ODA), and all other programs and projects which are not designed and operated for profit.
- 3.25. "RE Project for Own-Use" refers to an RE Project located within the premises of or in an area contiguous to an End-User's premises and operated solely for the supply of a portion or all of the electricity requirements of such End-User. For this purpose, an "End-User" shall refer to any person or entity requiring the supply and delivery of electricity generated by the RE Project dedicated for its own consumption, which facility is installed either by the End-User or through a third-party provider.
- 3.26. "RE Resource" refers to energy resources that do not have an upper limit on the total quantity to be used. Such resources are renewable on a regular basis, and whose renewal rate is relatively rapid to consider availability over an indefinite period of time. These include, but are not limited to, biomass, solar, wind, geothermal, ocean energy, and hydropower, conforming with internationally accepted norms and standards on dams, and other emerging RE technologies.

- 3.27. "RE Service Contract" refers to a service agreement between the Philippine Government, through the President or the DOE Secretary, and the RE Developer, covering an appropriate period as stated therein, in which the RE Developer shall have the exclusive right to explore, develop and utilize geothermal, hydropower, wind, ocean and other RE Resources within a particular area.
- 3.28. "Work Program" refers to the plans and programs and other related activities formulated for the performance of the work obligations under the RE Contract by the RE Developer, along with the corresponding budgetary estimate, duly approved by the DOE.

CHAPTER II

TEMPORARY DEFERMENT OF COMPLIANCE WITH THE EVOSS SYSTEM AND TIMELINE

4. The MENRE hereby temporarily defers the integration of the processes and timelines set forth in these guidelines in the EVOSS Act and its Implementing Rules and Regulations. This deferment shall remain in effect until MENRE fully complies with the technical, procedural, and documentary requirements necessary for the integration of its processes into the EVOSS platform. Upon completion of the integration, the MENRE shall issue an amended Circular for the EVOSS processes and timelines to be implemented accordingly.

During this period, all submissions by the RE Applicants shall be made through manual submission, and all official correspondence, including submission of supplemental documents for rectification from the interested participants or RE Applicants, shall be sent or received via an official email address designated by the Ministry.

CHAPTER III

PRE-APPLICATION, APPLICATION AND AWARD OF SEOC UNDER DIRECT APPLICATION

5. **Solar Energy Operating Contract.** The development and operation of RE Projects utilizing solar energy as RE Resource shall be covered by a Solar Energy Operating Contract (SEOC) following the prescribed template (Annex A). Solar Energy Projects are categorized as (a) land-based (e.g., ground-mounted, roof-mounted, or other similar solar power projects) and (b) floating solar power projects, with or without integrated ESS.
6. **Eligibility of Solar Energy Operating Contract Applicant.** Any Person may apply for Solar Energy Operating Contract (SEOC), subject to the provisions in this Chapter.
 - 6.1. The SEOC Applicant may be a Filipino and/or a foreign citizen, or a Filipino- and/or foreign-owned corporation or association which is authorized by its articles or deed of incorporation to engage in the development and utilization solar energy resources: Provided, That in case the SEOC Applicant is a joint venture or a consortium, the partners of the joint venture or members of the consortium shall organize themselves as a corporation under the Revised Corporation Code or secure the appropriate license from the Securities and Exchange Commission (SEC), in case the joint venture or consortium was incorporated outside of the Philippines.

- 6.2. An Applicant which applies for a SEOC that involves activities reserved to Filipino citizens or corporations or associations at least sixty percent (60%) of whose capital is owned by Filipinos shall comply with the nationality requirements under applicable laws, including the Anti-Dummy Law or Commonwealth Act No. 108 on the appointment of officers of the corporation.

7. Modes of Awarding Solar Energy Operating Contract. SEOC shall be awarded through Direct Application.

- 7.1. Direct Application shall be available for the selection and award of SEOC in an area identified by a SEOC Applicant and verified with or confirmed by the ITMS as available for the development and/or utilization of solar energy resources.
- 7.2. Solar Power Projects for Own-Use and/or for Non-Commercial Purposes shall not require the issuance of SEOC but shall comply with the registration requirements provided under Chapter V: Provided, That the physical connection of such projects shall be as a self-generating facility the generating unit of which has no connection to the distribution system or grid.

8. Procedure for Awarding Solar Energy Operating Contract under Direct Application

Part 1. Pre-Application Process

- 8.1. **Submission of Letter of Intent (LOI).** All interested participants shall submit an LOI to develop a certain area (Annex "B"), in accordance with the mapping requirements (Annex "D"). The LOI shall be addressed to the MENRE Minister, through the BDG for Energy and shall be stamped-received by the EMDS. LOIs shall indicate whether the interested participant will avail of the COA referred to in Sections 9 and 10.1, and if it intends to avail of a single SEOC for multiple solar power projects in accordance with Section 10.2.2.

If the interested participant opts to avail of the COA, its LOI shall include a list of all permits and activities to be procured/conducted during the validity of the COA: Provided, That the list must cover the minimum set of permits and activities mentioned in Annex "A-1".

If the interested participant opts not to avail of the COA, it shall submit a valid System Impact Study (SIS) or Distribution Impact Study (DIS), as applicable, as part of the documentary requirements referred to in Section 8.8.1.

The submission of the LOI shall not be considered as a filing of a SEOC Application and shall not commence the application process.

- 8.2. **Pre-Application Orientation of Interested Participant.** The orientation is intended to inform interested participants about the SEOC preapplication and mapping requirements and processes.

Any interested participant may request for an orientation by signifying such intent in its LOI; otherwise, it shall be presumed that the interested participant is aware of the SEOC pre-application and mapping requirements and processes.

Area Verification and Technical Guidelines

- 8.3. **Configuration of Area of Interest (AOI).** The interested participant shall specify the type of solar power project, whether it is land-based (e.g., ground-mounted, roof-mounted, or other similar

solar power projects) or floating, with or without integrated ESS, and indicate the geographic coordinates of the AOI. The AOI for the SEOC Application shall either be polygonal or in block following the Blocking System or a combination of both. The ITMS shall check the completeness of the mapping requirements within five (5) working days.

- 8.4. **Area Verification.** The ITMS shall complete the area verification within eighteen (18) calendar days from receipt of the LOI on a first-come, first-served basis and determine whether the AOI is:

- 8.4.1. Covered by a SEOC, SEOC pending application, or other energy resource assessment activities as submitted by the concerned EMDS unit and verified by ITMS;
- 8.4.2. Within or overlaps with the area of an existing energy service or operating contract such as PSC, COC, or SSCMP;
- 8.4.3. Within or overlaps with the area of an existing energy service or operating contract application such as PSC, COC, or SSCMP;
- 8.4.4. Within the protected and environmentally critical areas under the ENIPAS and other legislative proclamations, i.e., within or outside the strict protection zones, ancestral domains with Certificate of Ancestral Domain Title or Claim, areas with tenurial instruments from other government agencies, areas prohibited, reserved, or used for national defense, navigation, irrigation, and other development projects, and other areas covered by significant geospatial data that will be identified as necessary in the evaluation of the SEOC Application based on available data on file with ITMS and NAMRIA's Philippine Geoportal Project website;
- 8.4.5. Covered by the COA of other energy resource;
- 8.4.6. Covered by the COA of the same energy resource;
- 8.4.7. Within or overlaps with other AOI in accordance with Sections 8.6.1 and 8.8.4; and/or
- 8.4.8. Open for RE Contract Applications.

- 8.5. **Area Verification Results.** ITMS shall provide the REMS with the results of area verification. Within five (5) calendar days upon receipt of the verification results, the REMS, through the EUMD Chief and the EMDS Director, shall endorse the final verification results to the BDG for Energy and shall prepare a notification to the interested participant containing the results of area verification.

If the AOI falls under Section 8.4.8, the notification shall be an issuance of Notice to Apply, signed by the BDG for Energy, in favor of the interested participant for filing of the SEOC Application.

If the AOI falls under Sections 8.4.1 to 8.4.7, the notification shall be informing the interested participant of the options, either (a) to reconfigure the AOI; (b) to file a request to allow the development of multiple resources in the area; or (c) to comply with Section 8.5.3, as applicable.

- 8.5.1. **Reconfigured Area of Interest.** Within ten (10) calendar days from receipt of the final technical verification results or receipt of notice that multiple resource development in the overlapping area is not feasible under Section 8.5.2, the interested participant and REMS may conduct an assessment if the AOI may be reconfigured without material adverse effect on the feasibility of the proposed solar power project. The interested participant may reconfigure its AOI to cover only such portion as may allow the SEOC Application to proceed.

Within five (5) calendar days after receipt of submission of the reconfigured AOI, if the ITMS verified that no portion of the area falls under Sections 8.4.1 to 8.4.7, the REMS, through the EUMD Chief and EMDS Director, shall prepare Notice to Apply in favor of the interested participant for filing of the SEOC Application, to be signed by BDG for Energy. If the interested participant fails to submit a reconfigured AOI within the timeframe of rectification mentioned above, its Application shall be deemed denied.

- 8.5.2. **Multiple Resources in an Area.** If the AOI of the interested participant overlaps with the area of an existing energy service or operating contract or an application therefor, or of the COA of another RE Developer not affiliated to the interested participant, or of the AOI of another interested participant not affiliated to the interested participant who has a valid NTA at the time of this area verification, as provided under Sections 8.4.1, 8.4.2, 8.4.3, 8.4.5, 8.4.6 and 8.4.7, the interested participant may still pursue the SEOC Application, subject to the following provisions:

- 8.5.2.1. Within ten (10) calendar days, the interested participant shall:

8.5.2.1.1. Explain in writing why the proposed solar power project will not be feasible without the overlapping area, with justification on the technical viability of the project; and

8.5.2.1.2. Submit a notarized acknowledgment and undertaking that the interested participant recognizes and shall continue to recognize the prior rights of the existing applicants and/or developers of other energy resources within the overlapping area; that the design of the proposed solar power project will ensure safe and optimal development of solar energy and other energy resources in the overlapping area; and that all costs needed therefor shall be borne by the interested participant.

- 8.5.2.2. The REMS, through the EUMD Chief and EMDS Director, shall prepare a notice, signed by the BDG for Energy, informing the existing applicant or energy contractor/developer, or the other interested participant who has a valid NTA at the time of this area verification, of the intent to develop the solar energy resources within the overlapping area. Copies of the interested participant's LOI, the written explanation, and their supporting documents shall be furnished to the existing applicant or contractor/developer.

- 8.5.2.3. If no objection is received from the existing applicant or energy contractor/developer within ten (10) working days from receipt of notice, the REMS, through the EUMD Chief and EMDS Director, shall, within five (5) calendar days, prepare Notice to Apply in favor of the interested participant for filing of the SEOC Application, to be signed by BDG for Energy, and issue the same to the interested participant.
- 8.5.2.4. If the existing applicant or energy contractor/developer, or the other interested participant who has a valid NTA at the time of this area verification, objects to the proposal, the said applicant or energy contractor/developer or other interested participant shall notify the BDG for Energy and provide a copy to the interested participant within ten (10) calendar days from receipt of notice, citing the impracticability of multiple resource development as to additional costs, safety, substantial decrease in the utilization of the energy resource, and other relevant factors. Copies of the written objection shall be furnished to the REMS. A statement that multiple resource development in the overlapping area is impracticable without technical basis shall not be considered as an objection.
- 8.5.2.5. Within five (5) calendar days from receipt of an objection, the REMS and other concerned EMDS Division shall jointly determine whether the development of solar energy resources within the overlapping area may be conducted without material adverse effect on the activities of the existing energy contractor/developer. Such determination shall consider the interested participant's proposal, the objection and the technical bases cited therein. The evaluation shall be endorsed to the BDG for Energy.
- 8.5.2.6. Within seven (7) calendar days from receipt of the endorsement, the BDG for Energy may, if he/she concurs that the solar power project will not cause material injury, issue a Notice to Apply in favor of the interested participant for filing of the SEOC. If the endorsement does not allow multiple resources in an area, the BDG for Energy shall issue a notification to the interested participant for an option to reconfigure its AOI.
- 8.5.2.7. If the interested participant fails to submit a reconfigured AOI as notified by the BDG for Energy in Section 8.5.2.6 within the timeframe of rectification mentioned in Section 8.5.1, its Application shall be deemed denied.
- 8.5.3. **Other Areas.** If the AOI of the interested participant overlaps with the area as provided under Section 8.4.4, the interested participant may still pursue the SEOC Application if there is no material adverse effect on the feasibility of the proposed solar power project after applying the provisions below:
 - 8.5.3.1. If the AOI overlaps with areas within strict protection zones under the ENIPAS, the interested participant shall submit a revised AOI net of the said areas, subject to provisions under Section 8.5.1.

- 8.5.3.2. If the AOI overlaps with areas outside strict protection zones under the ENIPAS, the REMS, through the EUMD Chief and the EMDS Director, shall issue a Notice to Apply, signed by the BDG for Energy for the said AOI: Provided, That the Contract Area may be reduced subject to the ENIPAS and other legislative proclamations.
 - 8.5.3.3. If the AOI overlaps with ancestral domains with Certificate of Ancestral Domain Title or Claim, the REMS, through the EUMD Chief and the EMDS Director, shall issue a Notice to Apply, signed by the BDG for Energy for the said AOI: Provided, That the Contract Area may be reduced subject to the IPRA and other legislative proclamations.
 - 8.5.3.4. If the AOI overlaps with areas with tenurial instruments from other government agencies, the REMS, through the EUMD Chief and the EMDS Director, shall issue a Notice to Apply, signed by the BDG for Energy for the said AOI: Provided, That the Contract Area may be reduced subject to the relevant rules and regulations of the concerned government agency.
 - 8.5.3.5. If the AOI overlaps with areas prohibited, reserved, or used for national defense, navigation, irrigation, and other development projects, and other areas, the REMS, through the EUMD Chief and the EMDS Director, shall issue a Notice to Apply, signed by the BDG for Energy for the said AOI: Provided, That the Contract Area may be reduced subject to the relevant rules and regulations of the concerned government agency.
- 8.6. **Notice to Apply.** A Notice to Apply (NTA) is issued by the BDG for Energy to the interested participant after the AOI is confirmed by the ITMS as available for the development and/or utilization of solar energy resources in accordance with Section 8.5. The NTA shall have a validity of 30 calendar days from its date of issuance.
- 8.6.1. Within the validity of the NTA, the AOI shall be temporarily reserved to the interested participant to prepare its submission of the documentary requirements for SEOC application.
 - 8.6.2. If the interested participant failed to file the SEOC Application by not complying with Section 8.8.1 within the validity of the NTA, its LOI shall be deemed abandoned and the REMS shall prepare a notification to the ITMS to make the AOI of such interested participant available for development and/or utilization of all energy service or operating contract applications.
 - 8.6.3. NTA shall also include the schedule of the mandatory orientation for SEOC Applicants.

Part 2. Filing of Solar Energy Operating Contract Applications

- 8.7. **Orientation of SEOC Applicant.** The orientation is intended to inform SEOC Applicant about the SEOC application requirements, and to guide them through the process for evaluation thereof, awarding of SEOC and the registration of a solar energy project.

The mandatory orientation shall be facilitated by representatives from the REMS and LLLD. The SEOC Applicant shall ensure the attendance of their legal, technical, and financial staff during the orientation.

- 8.8. **Receipt of Solar Energy Operating Contract Applications.** After the scheduled orientation, the interested participant may file its SEOC Application by complying with the following procedures and requirements:

8.8.1. The SEOC Applicant shall submit the complete set of documentary requirements based on the Checklist of Requirements (Annex "C").

8.8.2. REMS shall check the completeness and consistency of the submission and ITMS shall validate the area applied for the solar power project within three (3) working days.

8.8.3. If the submission is complete, the REMS shall, within one (1) working day, issue an order of payment for the application and processing fees and notify the SEOC Applicant to pay such fees and send a proof of payment to REMS within five (5) working days. Failure to do so will result in the abandonment of the application. MENRE shall validate the proof of payment within three (3) working days.

8.8.4. The AOI is reserved for the SEOC Applicant upon submission of complete application documents and validation of proof of payment of application and processing fees.

8.8.5. The REMS shall notify LLLD and ITMS of the complete submission upon verification of the proof of payment.

- 8.9. **Proof of Access to Proposed Area of Interest.** As part of the application requirements, the SEOC Applicant shall submit proof of ownership or possessory rights over real properties covered by the AOI.

8.9.1. **Acceptable Proof of Possessory Rights over Public Lands.** The SEOC Applicant may submit the following documents as proof of possessory rights over public lands:

8.9.1.1. Permits and clearances issued in favor of the SEOC Applicant by a government agency or instrumentality that has jurisdiction over the AOI authorizing the use of such AOI for the Solar Power Project; or

8.9.1.2. Any other permits issued by the relevant government agency or instrumentality, including Notice of Award.

8.9.2. **Acceptable Proof of Ownership or Possessory Rights over Private Lands.** Any of the following documents may be submitted by the SEOC Applicant as proof of ownership or possessory rights over private lands:

8.9.2.1. Certificates of title to the real properties in the name of the SEOC Applicant; or

8.9.2.2. Contracts, deeds, agreements and the like that unconditionally grant the SEOC Applicant ownership or right to possess the real properties for

purposes of construction, installation, maintenance and operation of the solar energy project thereon; or

- 8.9.2.3. Contracts, deeds, agreements, and the like that unconditionally grant the SEOC Applicant an exclusive option to acquire the ownership or the right to possess the real properties: Provided, That the right to construct, install, maintain and operate the solar energy project thereon is vested unto the SEOC Applicant.

- 8.9.3. **Affidavit of Acquired Possessory Rights over Public or Private Lands.** During the filing of SEOC Application, as part of the complete set of documentary requirements, the SEOC Applicant shall submit an Affidavit of Acquired Possessory Rights executed strictly in accordance with the template provided in Annex "C-1" or Annex "C-2", as applicable, hereof and a copy of the Board Resolution authorizing the affiant to execute the instrument on behalf of the SEOC Applicant.

The SEOC Applicant shall submit the acceptable proof of ownership or possessory rights and supporting documents mentioned in Sections 8.9.2 and 8.9.4 not later than thirty (30) calendar days after the issuance of the COA or, if the SEOC Applicant did not avail of the COA, after the execution of the SEOC. Failure of the SEOC Applicant to submit such documents within the prescribed period shall render the COA or SEOC, whichever is applicable, *void ab initio*.

- 8.9.4. **Supporting Documents.** In addition to the acceptable proof of ownership or possessory rights under Section 8.9.2, the SEOC Applicant shall also submit all documents needed to establish the authenticity and due execution of the contracts, deeds, agreements, etc. mentioned in Sections 8.9.2.2 and 8.9.2.3, namely:

- 8.9.4.1. Board Resolution or Secretary's Certificate of the SEOC Applicant and: (i) if the registered owner of the real property is a corporation, Board Resolution or Secretary's Certificate issued by such corporation; or (ii) if the registered owner is acting through a representative, a Special Power of Attorney in favor of the registered owner's representative, each authorizing the parties to enter into the contracts, deeds, agreements, and the like;

- 8.9.4.2. Proof of identity of the registered owner and the signatories to the contracts, deeds, agreements, and the like; and

- 8.9.4.3. Three (3) specimen signature of the said signatories:

Provided, however, That in cases where the right to dispose of the real property has transferred wholly or partly to persons other than the registered owner either by succession or voluntary conveyance, the judicial/extrajudicial settlement of the estate of the deceased owner or of his/her spouse, or the deed of conveyance, as the case may be, with the proof of authority and proof of identity abovementioned, shall be submitted by the SEOC Applicant.

The documents above shall be covered by a scanned copy of the sworn statement of the SEOC Applicant's authorized representative containing the details of the document/s constituting the proof of ownership or possessory rights, as follows:

- (a) The denomination of the contracts, deeds, agreements, etc., the date/s of execution and the term thereof, with inclusive dates;
- (b) The names and addresses of the parties to the contracts, deeds, agreements, etc., indicating their relation, e.g., seller and buyer, lessor and lessee, and the like;
- (c) The specific section/clause in the contract, deed, agreement, etc. by which the ownership or possession of the real property is conveyed, with the said provision quoted in full;
- (d) An affirmation that the conveyance is effective, or a summary of the limitations, conditions and other terms that must be complied with before the conveyance becomes effective;
- (e) The date of notarization of the documents above; and
- (f) A read-only Excel file and attached to the sworn statement where the details below are presented:
 - (i) The SEOC Applicant has the authority to acquire ownership/possession and that its counterparty in the contracts, deeds, agreements, etc. has the right and/or authority to dispose of the same in favor the SEOC Applicant; and
 - (ii) The contract, deed, agreement, etc. was executed by persons identified as having the right to dispose of the ownership or possession of the real properties subject thereof.

8.9.5. Contracts, deeds, agreements, etc., powers of attorney, or any other document mentioned above that are executed outside the Philippines must be submitted with the corresponding apostille or notarized, as the case may be.

8.10. Evaluation of Solar Energy Operating Contract Applications

8.10.1. After validation of proof of payment for application and processing fees, the REMS and LLLD shall conduct the simultaneous technical, legal, and financial evaluations of the SEOC Application documents and consolidate the results within fifteen (15) calendar days.

8.10.2. **Evaluation of Proof of Possessory Rights.** As part of the legal evaluation under Section 8.10.1, LLLD shall:

8.10.2.1. Evaluate the certificates of title submitted by the SEOC Applicant;

- 8.10.2.2. In the evaluation of the contracts, deeds, agreements etc. mentioned in Sections 8.9.2.2 and 8.9.2.3, shall only consider the SEOC Applicant's sworn statement and excel file attached thereto; or
- 8.10.2.3. Evaluate the Affidavit of Acquired Possessory Rights mentioned in Section 8.9.3.

MENRE reserves the right to evaluate the SEOC Applicant's proof of ownership or possessory rights and supporting documents.

8.10.3. REMS shall proceed with the processing of the application, as follows:

- 8.10.3.1. If the SEOC Application passes the evaluations, the REMS, through the EUMD Chief and EMDS Director, shall, within five (5) calendar days from receipt of the evaluation documents, prepare a memorandum for the BDG for Energy endorsing the award of the SEOC Application; the draft COA, as applicable; and the draft SEOC. The endorsement must include the original copy of the results of area verification and the legal, technical and financial evaluations with all their attachments, and the project area map and its technical descriptions.

Upon concurrence with the endorsement, the BDG for Energy shall, within five (5) calendar days, endorse the same to LLLD for the review of the draft COA, as applicable, and the draft SEOC. The LLLD shall act on the review within three (3) calendar days.

Upon concurrence by the LLD, the BDG for Energy shall, within three (3) calendar days, prepare the Notice of Award, to be signed by the MENRE Minister, and endorse the same, along with all the documents mentioned above to the MENRE Minister which shall act on the approval of Notice of Award within seven (7) calendar days. If the MENRE Minister concurred with the recommendation, the process shall then proceed in accordance with Section 10.2.

If the MENRE Minister does not concur with the recommendation, the REMS, through the BDG for Energy, shall issue a formal notice to the SEOC Applicant of the disqualification of its Application. The REMS shall then prepare a memorandum to the ITMS to immediately re-open the area for any energy service/operating contract applications.

- 8.10.3.2. If the SEOC Application does not pass the legal, technical, and/or financial evaluations, within two (2) calendar days from receipt of the evaluation documents, the REMS, thru EUMD Chief and EMDS Director, shall prepare a memorandum to the BDG for Energy on the results of evaluation, and notify the SEOC Applicant to rectify the submission within ten (10) working days. The REMS shall check the completeness of the submission upon receipt of the supplementary documents.

8.10.3.2.1. Failure of the SEOC Applicant to submit supplementary documents within the prescribed period shall be deemed an

abandonment of the SEOC Application. The REMS, through the EUMD Chief and EMDS Director, shall recommend to the BDG for Energy the disqualification of the SEOC Application, and upon concurrence by the BDG for Energy, notify the SEOC Applicant, LLLD, and ITMS of such disqualification.

8.10.3.2.2. If the SEOC Applicant submits supplementary documents within the prescribed period above and the REMS determines that the submission is incomplete, the SEOC Applicant shall have the remainder of the rectification period, if any, to submit the lacking documents. The SEOC Applicant shall have a one-time opportunity to address the deficiencies. Therefore, the SEOC Applicant must ensure that all supplemental documents are complete and submitted before the lapse of the prescribed period.

8.10.3.2.3. Upon receipt of the supplemental documents, the REMS and LLLD shall finish the simultaneous technical, legal, and financial reevaluations within seven (7) calendar days.

8.10.3.2.4. If the SEOC Application passes the reevaluation, the process shall proceed in accordance with Section 8.10.3.1.

8.10.3.2.5. Should the SEOC Application still fail to pass any of the subsequent legal, technical, or financial evaluations, the REMS, through the EUMD Chief and EMDS Director, shall, within three (3) calendar days, recommend to the BDG for Energy the disqualification of the SEOC Application, and upon concurrence by the BDG for Energy, the REMS shall, within three (3) calendar days, notify the SEOC Applicant, LLLD, and ITMS of such disqualification and the basis of the disqualification. The REMS shall then prepare a memorandum to the ITMS to immediately re-open the area for any energy service/operating contract applications.

8.10.4. All supplemental documents submitted beyond the prescribed period shall not be accepted or evaluated.

8.10.5. No Request for Reconsideration (RR) of any of the legal, technical, financial evaluation or the disqualification shall be entertained after the evaluation process is completed.

8.11. If the Solar Energy Developer waived the COA during the pre-application process, the REMS shall proceed with the application in accordance with Section 10.2.

8.12. **Re-application for SEOC.** After ITMS re-opens the area for RE Applications pursuant to Section 8.10.3.2.5, the SEOC Applicant may re-apply for the same AOI by complying this Guidelines starting from Section 8.1.

9. Terms of Certificate of Authority (COA). The awardee of a SEOC shall have exclusive authority to procure SIS/DIS, permits or certifications and tenurial instruments needed for the development and utilization

of the solar energy resources within an area specified in the SEOC Application and conduct reconnaissance and other activities needed for pre-feasibility studies upon the issuance of COA by the MENRE.

- 9.1. The COA shall be valid for a period not exceeding one (1) year, for land-based solar power projects, and two (2) years, for floating solar power projects. During its validity, the COA shall serve as the MENRE's exclusive endorsement for the Solar Energy Developer to conduct reconnaissance and other pre-feasibility activities and secure the necessary permits or certifications and tenurial instruments from government agencies, LGUs, entities or instrumentalities having jurisdiction over any aspect of the solar energy operations. The denomination of each permit or certification or tenurial instrument to be procured as well as the reconnaissance and other activities to be conducted for the solar power project shall be listed in the COA.
- 9.2. The COA shall reflect the metes and bounds of the area as proposed in the SEOC Application over which reconnaissance and other prefeasibility activities may be conducted and permits and tenurial instruments may be secured by the Solar Energy Developer for the project. For this purpose, a copy of the technical description of the area to be covered by the SEOC shall form part of the COA.
- 9.3. In cases of Multiple Solar Power Projects under Section 10.2.2, each solar power project shall be covered by a separate COA and shall have the same period of validity.
- 9.4. Within thirty (30) calendar days from the issuance of the COA under Section 10.1, the Solar Energy Developer shall submit a fixed timeline for the procurement of permits and conduct of activities in Gantt chart form, with the minimum work commitment under Annex "A-1".

The above timeline shall not be revised.

- 9.5. The Solar Energy Developer shall submit a report on the SIS/DIS, permits, certifications or tenurial instruments procured and/or reconnaissance and other activities needed for pre-feasibility studies conducted not later than thirty (30) calendar days after the last day of the period covered, as follows:
 - 9.5.1. For land-based solar power projects, the report shall cover the first three (3) quarters of the COA;
 - 9.5.2. For floating solar power projects, the report shall cover the first year of the COA: Provided, That during the last year of COA validity, the report shall cover the first three (3) quarters of such year.

Provided, however, That if the Solar Energy Developer opts to shorten the period of COA validity after procuring an SIS/DIS, and the Solar Energy Developer gives notice to execute the SEOC before the reportorial obligation herein arises, the report and corresponding evaluation shall be dispensed with.

The annual report shall follow the format prescribed in the COA.

- 9.6. The MENRE shall evaluate the annual accomplishments of the Solar Energy Developer based on the fixed timeline above-mentioned:

- 9.6.1. REMS shall conduct an initial evaluation from receipt of the report of the Solar Energy Developer, or from the lapse of the period given under Section 9.5 and, if there are underperformance or non-performance to the committed activities by the Solar Energy Developer, REMS shall submit a report to the BDG for Energy who shall then notify the Solar Energy Developer on the results of the initial evaluation.
 - 9.6.2. Within ten (10) working days from notice thereof, the Solar Energy Developer may submit additional documents refuting REMS's findings and/or rectifying any deficiency in the annual report or its supporting documents.
 - 9.6.3. In every case, REMS shall complete the evaluation and provide report to the BDG for Energy.
- 9.7. After due evaluation, and MENRE finds that the Solar Energy Developer has procured the SIS/DIS, completed reconnaissance activity and other pre-feasibility studies, and procured permit or certification or tenurial instrument, the REMS, through the EUMD Chief and the EMDS Director, shall prepare a Notice of Execution of SEOC within fifteen (15) working days, to be signed by the BDG for Energy, to proceed with the signing of the SEOC in accordance with Section 10.2.

However, MENRE may withdraw the COA if (a) the Solar Energy Developer has procured the SIS/DIS, or (b) has, at least, submitted the complete documents for an SIS/DIS Application within six (6) months from the date of the COA, and any reconnaissance activity and other pre-feasibility studies are not conducted and/or permit or certification or tenurial instrument remained unissued. If the MENRE, through the submitted evaluation report by the REMS, finds that the COA should be withdrawn, the REMS, through the EUMD Chief and the EMDS Director, shall prepare a written notice within fifteen (15) working days, to be signed by the BDG for Energy, informing the Solar Energy Developer that MENRE has forfeited the benefit of the COA and issue a Notice of Execution of SEOC to proceed with the signing of the SEOC in accordance with Section 10.2. The subsequent procurement of permits or certification or tenurial instrument, an SIS/DIS, as applicable, and completion of reconnaissance activity and other pre-feasibility studies shall be then conducted as part of the Development Stage of the SEOC.

If the Solar Energy Developer fails to submit, at least, the complete SIS/DIS Application requirements within the period given under Section 9.5 prior to MENRE's evaluation, the SEOC Application shall be deemed abandoned. The BDG for Energy shall notify the Solar Energy Developer of the disqualification of its SEOC Application. The REMS shall then prepare a memorandum to the ITMS to immediately re-open the area for any energy service/operating contract applications.

- 9.8. The decision of the MENRE to withdraw the COA shall be final and non-appealable.
- 9.9. The validity of the COA shall not be extendible.
- 9.10. The Solar Energy Developer shall have the option to waive or shorten the period of validity of the COA. If so, it shall give written notice to the MENRE with a request to execute the SEOC, a proposed Work Program and a terminal report on the SIS/DIS, permits, certifications or tenurial instruments procured and/or reconnaissance and other activities needed for pre-feasibility studies conducted.

The MENRE shall then issue a Notice of Execution of SEOC, signed by the BDG for Energy, to proceed with the signing of the SEOC in accordance with Section 10.2.

10. Award of Solar Energy Operating Contract and Registration of Solar Energy Developers.

10.1. Issuance of Certificate of Authority. After the issuance of Notification of Award and before the execution of a SEOC, the MENRE shall issue a COA: Provided, That the COA may be waived in accordance with Sections 8.1 and 9.10.

10.2. Signing of the Solar Energy Operating Contract. The following procedure shall govern the awarding of SEOC:

10.2.1. The signing of the SEOC shall be divided into two stages, namely: a) pre-signing by the SEOC Applicant; and b) signing by the MENRE Minister.

10.2.1.1. The REMS shall require the SEOC Applicant to pre-sign the original copies of the SEOC within thirty (30) calendar days upon receipt of the Notice of Award, and/or Notice of Execution of the SEOC in reference to Sections 9.7 and 9.10.

Failure to comply within this timeframe shall result in the SEOC application being deemed abandoned. In this case, the BDG for Energy shall notify the Solar Energy Developer of the disqualification of its SEOC Application. The REMS shall then prepare a memorandum to the ITMS to immediately re-open the area for any energy service/operating contract applications.

10.2.1.2. Upon receipt of the pre-signed SEOC, the REMS shall, within one (1) working day, check the completeness of the pre-signed SEOC, and, if the same is in order, the REMS, through the BDG for Energy shall forward the pre-signed SEOC, along with the endorsement and all its attachments to the Office of the MENRE Minister one (1) calendar day thereafter. Incomplete pre-signed SEOC shall be returned to the SEOC Applicant for rectification.

10.2.1.3. The MENRE Minister shall act on the endorsement within seven (7) calendar days upon receipt of the pre-signed SEOC and its attachments.

10.2.2. Multiple Solar Power Projects. A Solar Energy Developer shall have the option to avail of a single SEOC for multiple solar power projects by signifying such intent in its LOI: Provided, That the proposed capacity of each solar power project shall not exceed five megawatts (5 MW): Provided, further, That all such projects shall be located within the same province or city: Provided, finally, That the Solar Energy Developer shall be required to avail of the COA for all such projects.

10.2.3. Payment of Signing Fee. The REMS shall issue the order of payment within one (1) calendar day after the signing of the SEOC.

The SEOC Applicant shall pay the signing fee and provide to REMS the proof of payment thereof within fifteen (15) calendar days from receipt of the order of

payment. Failure of the Solar Energy Developer to do so shall cause the SEOC to be deemed void.

- 10.2.4. **Delivery of the Signed Solar Energy Operating Contract.** After payment of the signing fee, the REMS shall notify the Solar Energy Developer to personally receive the original signed and notarized copies of the SEOC and COR, as applicable. Simultaneous with the receipt of the SEOC, the Solar Energy Developer shall surrender to the MENRE the COA issued pursuant to this Circular.

- 10.3. **Duty to Maintain Records.** The REMS shall maintain a record of all LOIs received, pending SEOC Applications, and signed SEOC.

- 10.4. **Reopening of the Area of Interest.** The ITMS shall make the area available to other applicants only when: (a) the SEOC Applicant failed to qualify and the period of rectification has lapsed pursuant to Section 8.10.3.2.1; or (b) has failed to qualify on evaluation of SEOC Application after submission of supplementary documents pursuant to Section 8.10.3.2.5 or (c) withdraws or abandons its LOI as mentioned in Section 8.6.2 or SEOC Application, as the case may be in reference to Sections 0 and 10.2.1.1, and only after due notice is given to the concerned interested participant/ SEOC Applicant of such information by the BDG for Energy, copy furnishing the ITMS with the said notice. Such information shall be given to the previously denied applicants. Once an area has been re-opened for application, subsequent RE Applications, through submission of LOI, covering the same may be allowed, and only on a first-come, first-served basis.

- 10.5. **Registration of Solar Energy Developers.** The MENRE shall issue a COR to a Solar Energy Developer holding a valid SEOC for purposes of entitlement to the incentives under the RE Act, subject to Chapter V of this Circular, upon receipt of proof of Financial Closing. Notwithstanding the foregoing, the issuance of a COR may be availed of upon the award of the SEOC, at the option of the Solar Energy Developer.

- 11. Terms of Solar Energy Operating Contract.** The development of solar energy resources shall be covered by a Land-Based or Floating SEOC following the prescribed template (Annex "A").

- 11.1. The Solar Energy Developer shall be given a non-extendible period of five (5) years, in the case of land-based solar power projects, and six (6) years, in the case of floating solar power projects, from the date of execution of the SEOC to achieve Commercial Operations and shall be called the Development Stage.
- 11.2. The SEOC shall have a term of twenty-five (25) years from the date of execution, which shall include the Development/Commercial Stage but shall exclude the period covered by the COA.
- 11.3. Not earlier than six (6) months but not later than three (3) months prior to the expiration of the twenty-five (25)-year period, the SEOC may be renewed for another twenty-five (25) years, subject to the terms and conditions of the SEOC.
- 11.4. The Work Program depends on the type of development, whether the land-based or floating solar power project.

- 12. Stages of Solar Energy Operating Contract.** A SEOC shall cover two (2) stages of the solar power project, namely:

- 12.1. **Development Stage.** It involves the conduct of final feasibility study up to achievement of Financial Closing, development, construction, installation, testing and commissioning and until application of COC of the solar power project; and
- 12.2. **Commercial Stage.** It involves the commercial operation of the solar power project which shall commence from the issuance of COC by the ERC.

13. Investments.

- 13.1. **Additional Investments.** Additional investment may cover investment for improvements, modernization, rehabilitation, or expansion duly registered with the MENRE, which may or may not result in increased capacity, subject to the conditions to be determined by the MENRE, such as, but not limited to, the following:

- 13.1.1. Identification of and investment in sequential phases/stages of production, or undertaking scheduled modernization or rehabilitation; and
- 13.1.2. Improvements such as reduced production/operational costs, increased production, improved operational efficiency, and better reliability of the solar energy facilities.

If, by reason of the additional investment, the capacity of the solar power project is increased by at least thirty percent (30%) as validated by REMS, the Solar Energy Developer shall have the option to avail of an additional COR indicating the type of additional investment. Upon the issuance of the additional COR, the applicable incentives under the RE Act shall be reset.

In cases where the period to avail of duty-free importation has lapsed and the additional investment involves the importation of RE machinery, equipment and/or materials, the MENRE, upon the request of the Solar Energy Developer, may issue an additional COR indicating the type of additional investment prior to the actual increase of the capacity based on the following:

- 13.1.2.1. Full and detailed feasibility study showing that upon installation of the RE equipment, machinery and/or materials specified therein, the capacity of the solar power project will be increased by at least thirty percent (30%);
- 13.1.2.2. Binding agreements for the purchase of RE equipment, machinery and/or materials with the same specifications mentioned in the feasibility study; and
- 13.1.2.3. Detailed timeline of activities to implement the improvement, modernization, rehabilitation or expansion.

CHAPTER IV

ADMINISTRATION OF SOLAR ENERGY CONTRACT

14. Amendment of SEOC.

- 14.1. SEOC shall be amended in any of the following instances:

- 14.1.1. Change to the Contract Area;
- 14.1.2. Increase or decrease in the installed capacity of the RE Project: Provided, That changes to the potential capacity shall not be considered as an amendment of RE Contracts and shall be approved by the BDG for Energy.

As used herein, installed capacity of an RE Project shall refer to the sum of the maximum capacity/ies of all generating unit/s operating under optimal conditions, while its potential capacity shall refer to the sum of the expected maximum capacity/ies of all generating unit/s based on the result of resource assessment, grid capacity, and/or engineering design;
- 14.1.3. Correction of project location; or
- 14.1.4. Changes to address inconsistencies between the SEOC and the SEOC template and its annexes, as applicable, or changes to the Contract Area necessitated by the Solar Energy Developer's non-compliance with the Affidavit of Acquisition of Possessory Rights.
- 14.2. **Requirements for Amendment to the Contract Area.** The Solar Energy Developer shall submit a request in writing addressed to the BDG for Energy, and shall submit and/or comply with the following:
 - 14.2.1. Technical description of the proposed Contract Area and other mapping requirements for the purpose of area verification;
 - 14.2.2. The proposed amendment shall cover an area contiguous or, for microgrid projects, proximal to the existing Contract Area, and available and open for RE resource exploration, development and/or utilization based on the verification by the ITMS;
 - 14.2.3. The amendment of the Contract Area is justified and reasonable, which may be proven by: (a) the results of the resource assessment, duly verified by the concerned REMS unit; and (b) proof that the RE Developer is not in default of its technical and financial obligations under the RE Contract;
 - 14.2.4. The Work Program with respect to the amended Contract Area is acceptable; and
 - 14.2.5. Affidavit of Acquisition of Possessory Rights, as applicable.
- 14.3. **Requirements for Other Amendments.** The Solar Energy Developer shall submit a request in writing addressed to the BDG for Energy, together with proof of the following:
 - 14.3.1. That the amendment is justified and reasonable; and
 - 14.3.2. That the Solar Energy Developer is not in default of its technical and financial obligations under the SEOC.
- 14.4. Only an amended COR shall be issued in case of the following changes:
 - 14.4.1. Company name of the Solar Energy Developer or name of the Solar Energy Project; or
 - 14.4.2. Assignment of Solar Energy Contract in accordance with the terms thereof.

The amendments under this Section shall require the surrender of the original COR upon issuance of the amended COR: Provided, That in the case of an amendment solely for the change of the company name, the request shall be directly endorsed to the MENRE Minister after legal evaluation.

- 14.5. Evaluation of Requests for Amendment of SEOC.** The Solar Energy Developer shall submit the complete set of documentary requirements for the request for amendment of SEOC which shall be processed as follows:

14.5.1. The REMS shall check the completeness and consistency of the submission within three (3) working days.

14.5.2. If the submission is complete, the REMS shall, within one (1) working day, issue an order of payment to pay for the application and processing fees and notify the Solar Energy Developer to pay such fees and to send a proof of payment to REMS within five (5) working days. Failure to do so will result in the abandonment of the application. The REMS shall validate the proof of payment within three (3) working days.

14.5.3. After validation of payment of the application and processing fees, the REMS shall evaluate the request for fifteen (15) calendar days. In case the evaluation of the REMS shows that: (a) there are additional costs to be incurred that should warrant another financial evaluation; (b) there are any legal concerns regarding the Solar Energy Project; and/or (c) there is a need of re-plotting the Contract Area, the REMS, LLLD and/or ITMS which shall conduct simultaneous financial and legal evaluations, and/or area verification.

14.5.4. The REMS shall consolidate all the evaluation results within five (5) calendar days and proceed with the processing:

14.5.4.1. If the Solar Energy Developer passes the evaluations, the REMS, through the EUMD Chief and the EMDS Director, shall prepare a memorandum addressed to the MENRE Minister, endorsing the amendment of contract, and the draft letter, as applicable. This memorandum shall be routed through the BDG for Energy and the LLLD for review and recommendation. The endorsement shall include the original copies of the area verification results, the legal, technical and financial evaluations along with all related attachments, and the project area map and its technical descriptions.

14.5.4.2. If the application does not pass the legal, technical, and/or financial evaluations, the REMS, through EUMD Chief, shall notify the Solar Energy Developer to rectify the submission within fourteen (14) calendar days. The REMS shall check the completeness of the submission within three (3) working days.

14.5.4.2.1. Failure of the Solar Energy Developer to submit supplementary documents within the prescribed period shall be deemed an abandonment of the application for amendment. The REMS shall then notify the Solar Energy Developer, LLLD, and ITMS of the disqualification.

14.5.4.2.2. If the Solar Energy Developer submits supplementary documents within the prescribed period above and the REMS determines that the submission is incomplete, the Solar

Energy Developer shall have the remainder of the period of the rectification to submit the lacking documents. Upon receipt of the complete documents, reevaluation shall proceed in accordance with the next succeeding subparagraph.

14.5.4.2.3. Upon receipt of the supplemental documents, the REMS, LLLD, and ITMS shall finish the simultaneous technical, legal, and financial evaluations within five (5) calendar days.

14.5.4.2.4. If the application passes the evaluation, the process shall proceed in accordance with Section 14.5.4.1.

14.5.4.2.5. Should the Solar Energy Developer still fail to pass any of the subsequent legal, technical, or financial evaluations, the REMS, through the EUMD Chief and the EMDS Director, shall recommend the disqualification of the application for amendment to the BDG for Energy who shall then issue a formal notice to the Solar Energy Developer stating the basis of the disqualification.

14.5.5. In cases falling under Section 14.5.4.1, the BDG for Energy who shall act on the endorsement within five (5) calendar days, and subsequently forward it to the LLLD. The LLLD which shall act on the recommendation and endorse the same, within five (5) calendar days, to the MENRE Minister for approval. The MENRE Minister shall act on the endorsement within five (5) calendar days from receipt.

14.5.6. The REMS shall notify the Solar Energy Developer of the approval of the application for amendment within two (2) calendar days.

14.6. Request to change the terms of the Solar Energy Contract other than those in Section 14.1 may be considered by the MENRE if the Solar Energy Developer complies with the conditions set forth in Section 14.3, subject to negotiations between the MENRE and the Solar Energy Developer.

14.7. The changes referred to in Section 14.1.4 shall be initiated by the REMS.

If the change relates to the material terms and conditions of the SEOC or to the Contract Area, as may be necessitated by the Solar Energy Developer's non-compliance with the Affidavit of Acquisition of Possessory Rights, the REMS, through the EUMD Chief and the EMDS Director, shall recommend the amendment of the SEOC and/or its annex, to the BDG for Energy. Upon concurrence by the BDG for Energy, shall recommend the same to the MENRE Minister, through the LLLD.

14.8. **Revision of the Work Program.** Subject to terms and conditions stipulated in the SEOC, the Solar Energy Developer may request the revision of its Work Program with justification on such revision.

14.8.1. **Evaluation of Requests for Revision of the Work Program.** The Solar Energy Developer shall submit the complete set of documentary requirements for the request for revision of the Work Program, which shall be processed as follows:

14.8.1.1. The concerned REMB Division shall check the completeness and consistency of the submission within three (3) working days.

- 14.8.1.2. If the submission is complete, the REMS and LLLD shall conduct simultaneous technical and legal (if necessary) evaluations within ten (10) calendar days.
- 14.8.1.3. The REMS shall consolidate all the evaluation results and prepare recommendation within five (5) calendar days.
- 14.8.1.4. If the Solar Energy Developer passes the evaluations, the REMS, through the EUMD Chief, the EMDS Director and the LLLD, shall prepare a memorandum for the BDG for Energy, endorsing the revision of the Work Program and the draft letter notifying the Solar Energy Developer of the approval of its application.
- 14.8.1.5. If the Application does not pass the evaluations, the REMS, through the EUMD Chief and the EMDS Director, shall notify the Solar Energy Developer to rectify the submission within fourteen (14) calendar days. The REMS shall check the completeness of the submission within three (3) working days. The Solar Energy Developer shall have a one-time opportunity to address the deficiencies: Provided, That such rectification shall be made within the fourteen (14) calendar day period.
 - 14.8.1.5.1. Failure of the Solar Energy Developer to submit supplementary documents within the prescribed period shall be deemed an abandonment of the application for amendment. The REMS, through the EUMD Chief, shall notify the Solar Energy Developer and LLLD of the disqualification.
 - 14.8.1.5.2. If the RE Developer submits supplementary documents within the prescribed period above and the REMS determines that the submission is incomplete, the Solar Energy Developer shall have the remainder of the period of the rectification to submit the lacking documents.
 - 14.8.1.5.3. Upon receipt of the said documents, reevaluation shall proceed in accordance with Sections 14.8.1.2 and 14.8.1.3. If the application passes the evaluation, the process shall proceed in accordance with Section 14.8.1.4.
 - 14.8.1.5.4. Should the Solar Energy Developer still fail to pass reevaluation, the REMS, through the EUMD Chief and the EMDS Director, shall recommend the disqualification of the application for amendment to the BDG for Energy who shall then issue a formal notice to the Solar Energy Developer stating the basis of the disqualification. The REMS shall notify the Solar Energy Developer of the disqualification.
- 14.8.1.6. In cases falling under Section 14.8.1.4, the EMDS Director and LLLD shall each have three (3) calendar days to act on the endorsement. The BDG for Energy shall act on the recommendation within five (5) calendar days.
- 14.8.1.7. The REMS shall send to the Solar Energy Developer the signed letter approving the revised work program within three (3) calendar days.

14.8.1.8. The REMS and the ITMS shall immediately update the database on the status of the Solar Energy Operating Contract and/or COR.

14.8.1.9. The changes to the Work Program necessitated by Force Majeure shall be treated as an amendment of the Solar Energy Operating Contract and shall be approved in accordance with Section 14.

15. Assignment of SEOC.

15.1. The Solar Energy Developer may assign all of its rights and obligations under the Solar Energy Operating Contract to an entity that has the legal, technical, and financial qualifications to undertake the RE project, subject to prior written approval of the MENRE, and in accordance with the following:

15.1.1. The Solar Energy Developer shall submit to the MENRE copies of the written document which unequivocally shows the agreement of the parties thereat to the assignment of the SEOC; and

15.1.2. **Assignment to an Affiliate.** A SEOC may be assigned to an affiliate of the Solar Energy Developer at any time and any number of times during its term.

15.1.3. **Assignment to a Non-Affiliate.** A SEOC may be assigned only once during the Development Stage after two (2) years from its effectivity. It may be assigned any number of times during the Commercial Stage.

15.2. **RE Act Incentive Available to Assignee.** If a SEOC is assigned within ten (10) years from its award and issuance of COR and the assignor has not availed of duty-free importation for the Solar Energy Project prior to the assignment, the assignee thereof may, in accordance with Sections 15(b) and 26 of the RE Act, avail of duty-free importation incentives within ten (10) years from the date of issuance of a Certificate of Registration in favor of such assignee.

This provision shall have retroactive application.

15.3. **Evaluation of Requests for Assignment of RE Contract.** The Solar Energy Developer shall submit the complete set of documentary requirements for the request for assignment of the SEOC, which shall be processed as follows:

15.3.1. The REMS shall check the completeness and consistency of the submission within three (3) working days.

15.3.2. If the submission is complete, the REMS shall, within one (1) working day, issue an order of payment to pay for the application and processing fees and notify the Solar Energy Developer to pay such fees and to send a proof of payment to REMS within five (5) working days. Failure to do so will result in the abandonment of the application. The REMS shall validate the proof of payment within three (3) working days.

15.3.3. After validation of proof of payment of the application and processing fees, REMS and LLLD shall conduct simultaneous technical, legal, and financial evaluations of the application within fifteen (15) calendar days.

15.3.4. The REMS shall consolidate all the evaluation results and proceed with the processing of the request for assignment of SEOC in accordance with the timeline and procedure provided in Sections 14.5.4 to 14.5.6.

- 16. Change in Control.** Any sale or acquisition of shares or other share capital, or a series thereof, that results in a change in control over the Solar Energy Developer shall be subject to the prior written approval of the MENRE. Such approval shall be given if the Solar Energy Developer remains legally, technically and financially qualified and capable of discharging the obligations under the SEOC. For this purpose, the Solar Energy Developer shall submit to the MENRE copies of the instrument of conveyance and other documents showing that the sale or acquisition will not affect its legal, technical and financial qualification. The procedure for evaluation and approval of the sale or acquisition shall be in accordance with Sections 15.3.
- 17. Abandonment.** The Abandonment and Termination Plan shall be prepared by the Solar Energy Developer and submitted as a requirement to transition from the Development Stage to Commercial Stage, and approved by the appropriate Services of MENRE on environment and natural resources Services and the EMDS for the decommissioning, abandonment and surface restoration or rehabilitation of the Contract Area. Such abandonment work plan may be amended, supplemented or modified by the Solar Energy Developer, in accordance with the rules and regulations of the MENRE.
- 18. Performance Review and Audit.**
- 18.1. The MENRE shall conduct regular performance review of the Solar Energy Developers and recommend appropriate actions therefor.
- 18.2. The MENRE shall have the right to inspect the Solar Energy Developer's books and accounts directly relating to the SEOC for any Contract Year.
- 18.3. The period to conduct audit, the prescriptive period of audit, and the review and appeal process of audit and/or assessments shall be in accordance with the Guidelines on the Conduct of Audit and Reportorial and Remittance Obligations of Energy Contractors and/or Energy Resource Developers to be issued by the MENRE.
- 18.4. The MENRE, upon at least fifteen (15) calendar days advance written notice to the Solar Energy Developer, is entitled to access, during reasonable hours without affecting RE operations, all books of accounts and records and may inspect such sites and facilities as necessary.
- 19. Suspension of Obligations under the SEOC.** In case the default of the Solar Energy Developer is attributable to Force Majeure, the obligation of the Solar Energy Developer may be suspended until the Force Majeure event ceases to exist, subject to the following conditions:
- 19.1. The Solar Energy Developer shall file a notice of Force Majeure to the EMDS within fifteen (15) calendar days from its existence along with proof that:
- 19.1.1. The Force Majeure exists;
- 19.1.2. The event/s occurred independent of the will of the Solar Energy Developer;
- 19.1.3. The event/s rendered it impossible for the Solar Energy Developer to fulfill its obligations in a normal manner; and
- 19.1.4. The Solar Energy Developer is free of participation in, or aggravation of, the injury to the MENRE.
- 19.2. After due validation which shall be made within twenty (20) calendar days after receipt of such notice, the BDG for Energy shall issue an approval of suspension of contractual obligation/s affected by Force Majeure: Provided, That if the suspension of the obligations will extend the Development Stage, the BDG for Energy shall endorse the approval to the MENRE Minister.

- 19.3. The Solar Energy Developer shall continue to observe administrative requirements and comply with reportorial obligations on its work commitments not affected by Force Majeure.
- 19.4. Once the Force Majeure has ceased, the Solar Energy Developer shall notify the EMDS within five (5) calendar days from cessation together with the revised Work Program covering the remaining contract term.
- 19.5. Any failure or delay on the part of the Solar Energy Developer in the performance of its obligations or duties under the SEOC shall be excused to the extent attributable to Force Majeure.
- 19.6. If the Solar Energy operations are curtailed or prevented by such causes, then the time for enjoying the rights and carrying out the obligations thereby affected, and all rights and obligations hereunder shall be extended for a period equal to the period of delay, curtailment or prevention: Provided, however, that the suspension of obligation shall in no way extend the term of the contract: Provided, further, That if operations are delayed, curtailed or prevented by Force Majeure for a continuous period of six (6) months, the Solar Energy Developer may, at its option, request for the suspension of the SEOC in accordance with Section 20, subject to confirmation of the MENRE.
- 19.7. The party whose ability to perform its obligations under the SEOC is so affected shall notify the other party thereof in writing stating the cause and such affected party shall do all reasonably within its power to remove such cause.

20. Suspension of the SEOC. In case the Solar Energy operations are delayed, curtailed or prevented by Force Majeure for a continuous period of six (6) months, the Contract may be suspended for a maximum period of three (3) years or until the Force Majeure event ceases to exist, whichever comes earlier. The period of such suspension shall not be counted against its term.

The Solar Energy Developer and the MENRE shall comply with the following conditions:

- 20.1. Upon strict compliance with the conditions under Section 19, the Solar Energy Developer may file a request for suspension of the SEOC with EMDS within fifteen (15) calendar days following the last day of the said six (6)-month period.
- 20.2. The EMDS shall endorse the request to the BDG for Energy. For a period of ninety (90) calendar days from receipt of endorsement, the EMDS shall exert best efforts to enable the Solar Energy Developer to resume RE operations.
- 20.3. If, despite such efforts, the Force Majeure persists and the Solar Energy operations cannot resume, the MENRE, through its Minister, shall approve the request for suspension of the SEOC. Notice of suspension shall be given to the Solar Energy Developer within fifteen (15) calendar days following the last day of the ninety (90)-day period.
- 20.4. Within ten (10) calendar days from receipt of notice of suspension, the Solar Energy Developer shall submit a sworn undertaking to notify the MENRE and submit proof that the Force Majeure has ceased. Failure to give notice within ten (10) calendar days from cessation shall be deemed a relinquishment of the RE Contract.
- 20.5. If the Solar Energy Developer intends to resume operations, it shall submit to EMDS a request to resume Solar Energy operations together with the notice abovementioned.

20.6. After due evaluation and if warranted, the REMS, through the EUMD Chief and EMDS Director, shall endorse the approval of the request to the BDG for Energy, who may endorse the same to the MENRE Minister for approval.

20.7. The Solar Energy Developer may only avail of the above suspension of the SEOC once during its term.

21. Power to Compel or Conduct Operations. The MENRE shall have the power to compel the Solar Energy Developer to perform RE operations when the following conditions exist:

21.1. The Solar Energy Developer fails, refuses or neglects to perform the RE operations without any justifiable cause; and

21.2. Such failure, refusal or neglect:

21.2.1. Results in or contributes to a shortage in the supply of electricity, based on the report of the Electric Power Industry Management Section of the MENRE-EMDS; and

21.2.2. Poses an imminent threat to the country's national and regional security and/or economy, as determined by the DOE Secretary and/or MENRE Minister.

If the Solar Energy Developer does not comply with the MENRE's and/or DOE's directive within three (3) calendar days from receipt, such noncompliance shall be deemed sufficient authority for the MENRE to conduct Solar Energy operations directly or through another government entity: Provided, That the MENRE's authority herein set forth shall only subsist for such period as may be needed to avert or arrest the threat, or upon the Solar Energy Developer's resumption of RE operations, whichever comes earlier.

22. Termination of SEOC. The MENRE shall have the power to terminate SEOCs, after due notice to the Solar Energy Developer.

22.1. **Evaluation Process for SEOC Termination.** The REMS shall recommend the termination of the Solar Energy Operating Contract within the following timelines:

22.1.1. Five (5) calendar days from the lapse of the Development Stage of the SEOC where the Solar Energy Developer failed to secure its Certificate of Compliance (COC);

22.1.2. Five (5) calendar days from the voluntary relinquishment of the Solar Energy Developer, without prejudice to the MENRE requiring the Solar Energy Developer to comply with the applicable penalties for noncompliance with its work obligations in accordance with the provisions of the SEOC;

22.1.3. During the Development Stage, upon the MENRE's finding that the conditions set forth in Sections 21.1 and 21.2 exist; or

22.1.4. At any stage of the SEOC, upon findings of any of the grounds for SEOC termination as stipulated therein.

Failure of the MENRE to adhere to the periods provided above shall not be construed as a waiver of its power to evaluate and recommend the termination of SEOC at a later time.

22.2. With respect to Sections 22.1.1, 22.1.3, and 22.1.4, the REMS, through the EUMD Chief and the EMDS Director, shall prepare a letter, signed by the BDG for Energy, requiring the Solar Energy Developer to explain in writing why its SEOC should not be terminated. The Solar Energy

Developer shall be given a non-extendible period of thirty (30) calendar days to submit its explanation, which shall be accompanied by supporting documents.

- 22.3. No later than twenty (20) calendar days from its receipt of the Solar Energy Developer's written explanation or from the lapse of the period mentioned in Section 22.2, the REMS, through the EUMD Chief and the EMDS Director, shall submit its findings and recommendation to the BDG for Energy.
- 22.4. Within seven (7) calendar days from receipt of the findings and/or recommendation, the BDG for Energy shall act upon the same and recommend a course of action to the MENRE Minister, through the LLLD.
- 22.5. In case the MENRE Minister approves the BDG for Energy's recommendation, the Solar Energy Developer shall be notified in writing of the termination of its SEOC. The REMS shall inform the ITMS of such fact.
- 22.6. Subject to the conditions under this Section, areas covered by terminated SEOC shall be declared by the MENRE open for development, specifying the mode of awarding of the RE Contract, which, if the area is determined as within a PDA, RE Contract Applications shall be through Open Competitive Selection Process (OCSP), respectively, as provided herein. Otherwise, the area shall be available to all interested parties for RE resource development under Direct Application, and only on a first- come first-serve basis.

23. Request for Reconsideration. A Solar Energy Developer whose SEOC was terminated may request for the reconsideration of the same. The request shall be made in writing, addressed to the BDG for Energy, and filed within a non-extendible period of ten (10) working days from the Solar Energy Developer's receipt of the notice of termination. The BDG for Energy shall evaluate the merits of the request for reconsideration and endorse such recommendations to the MENRE Minister, through LLLD.

- 23.1. **Procedures for Processing of Request for Reconsideration.** Requests for reconsideration shall be processed in accordance with the procedure below:
 - 23.1.1. The Solar Energy Developer shall submit the complete documents, and the REMS shall check the completeness and consistency of the submission within three (3) working days.
 - 23.1.2. The REMS, LLLD and ITMS shall conduct simultaneous technical, legal, financial evaluations and area verification within fifteen (15) calendar days.
 - 23.1.3. The REMS shall consolidate all the evaluation results and, consistent with such results, through the EUMD Chief and EMDS Director, recommend the approval or denial of the request for reconsideration to the BDG for Energy. If the BDG for Energy agrees with the recommendation, shall endorse the same to the MENRE Minister, through the LLLD. The consolidation and endorsement herein mentioned shall be completed within fifteen (15) calendar days.
 - 23.1.4. The LLLD shall act on the endorsement to the MENRE Minister within five (5) calendar days. The MENRE Minister shall act on the recommendation thereon within seven (7) calendar days.
- 23.2. The REMS shall send to the Solar Energy Developer a copy of the letter approving or denying request for reconsideration and notify the Solar Energy Developer to receive a copy of said document.

CHAPTER V

REGISTRATION OF RE PROJECTS FOR OWN-USE AND/OR NON-COMMERCIAL OPERATIONS

Part 1. General Provisions

- 24. Certificate of Registration (COR).** A COR is the proof of registration of the Solar Energy Developer with the MENRE and is required to avail of the incentives under the RE Act. Solar Energy Projects for Own-Use and/or Non-Commercial Operations are not required to enter into an SEOC to secure a COR.

Part 2. Procedures for Registration

- 25. Issuance of Certificate of Registration for Solar Energy Projects for Own-Use and/or for Non-Commercial Operations.** The COR shall be issued to the Solar Energy Developer only upon its complete submission of the requirements herein below provided, and only after the evaluation of the same by the EMDS which shall recommend its approval to the MENRE Minister.

- 26. Documentary Requirements.** Any proponent intending to install, construct, and operate a Solar Energy Project under this Chapter shall strictly comply with the following:

26.1. Technical Requirements:

- 26.1.1. Application letter addressed to the MENRE Minister, through the BDG for Energy, and shall be stamped received by the EMDS;
- 26.1.2. Project description detailing the technical design, financing structure, the target commissioning date, and location of the Solar Energy Project;
- 26.1.3. Target commissioning date; and
- 26.1.4. Proof of ownership of proposed project site.

- 26.2. Legal Requirements.** The same legal requirements in Checklist of Requirements in Annex "C" of this Circular shall be submitted.

To ensure the completeness of the application documents, the REMS may conduct the pre-filing conference/meeting/orientation among the concerned MENRE units and the proponent, prior to submission of formal application.

27. Filing of Application for Registration.

- 27.1. Receipt of Application for Registration.** An interested participant may file its Application by complying with the requirements and procedures, as follows:

- 27.1.1. The Applicant shall submit the complete set of documentary requirements for registration prescribed under Section 26.
- 27.1.2. The REMS shall check the completeness and consistency of the submission within three (3) working days.

No order for payment of application and processing fee shall be issued unless all the documentary requirements have been complied with and submitted by the proponent.

- 27.2. **Payment of Application and Processing Fees.** If the submission is complete, the REMS shall, within one (1) working day, issue an order of payment to pay for the application and processing fees and notify the Solar Energy Developer to pay such fees and to send a proof of payment to REMS within five (5) working days. Failure to do so will result in the abandonment of the application. The REMS shall validate the proof of payment within three (3) working days. No application shall be processed without the payment of the application and processing fees.

28. Evaluation and Process for Issuance of Certificate of Registration.

- 28.1. **Qualification Evaluation.** After the validation of the proof of payment of the application and processing fee, the REMS and LLLD shall conduct the simultaneous technical and legal evaluations of the application within fifteen (15) calendar days from validation of the proof of payment of application and processing fees.
- 28.2. The REMS shall consolidate all the evaluation results and proceed with the processing:
- 28.2.1. If the Application passes the evaluations, the REMS, through the EUMD Chief and the EMDS Director, shall, within five (5) calendar days from receipt of the evaluation documents, prepare a memorandum for the BDG for Energy endorsing the issuance of COR. The endorsement must include the original copy of the results of legal and technical evaluations with all their attachments. Upon concurrence with the endorsement, the BDG for Energy shall, within five (5) calendar days, endorse the same to LLLD for the review of the draft COR. The LLLD shall act on the endorsement within five (5) calendar days. Upon concurrence by the LLLD, the BDG for Energy shall endorse the same to the MENRE Minister who shall act on the recommendation within seven (7) calendar days.
- 28.2.2. If the Application does not pass the legal, and/or technical evaluations, the REMS, through EUMD Chief and EMDS Director, shall, within five (5) calendar days from receipt of the evaluation documents, prepare a notification to the Applicant, to be signed by the BDG for Energy, to rectify the submission within ten (10) working days. The REMS shall check the completeness of the submission within three (3) working days.
- (a) Failure of the Applicant to submit supplementary documents within the prescribed period shall be deemed an abandonment of the Application. The REMS, through the EUMD Chief and EMDS Director, shall notify the Applicant and LLLD of the disqualification.
- (b) If the Applicant submits supplementary documents within the prescribed period above, the REMS and LLLD shall proceed with simultaneous technical, and legal reevaluations of the application within seven (7) calendar days.
- (c) If the Application passes the reevaluation, the process shall proceed in accordance with Section 28.2.1.
- (d) Should the Application still fail to pass any of the subsequent legal and technical evaluations, the REMS, through the EUMD Chief and the EMDS Director, shall recommend the disqualification of the Application to the BDG for Energy who shall then issue a formal notice to the Applicant stating the basis of the disqualification. The REMS shall notify the Applicant and the LLLD of the disqualification.

- 28.3. **Request for Reconsideration.** The Applicant may request a reconsideration of the disqualification in writing, addressed to the BDG for Energy, within ten (10) working days from receipt of notice of disqualification.

The BDG for Energy shall resolve the request for reconsideration within five (5) working days from receipt of the request.

29. **Validity of the Registration.** The COR shall have an initial validity period of five (5) years, renewable for the same period until the end-of-project life is reached or a maximum of twenty-five (25) years.
30. **Terms and Conditions of the Registration.** Any Solar Energy Developer and its Project shall be issued a COR (Annex "E") which shall contain the terms and conditions thereof.

CHAPTER VI - INCENTIVES

31. **Incentive Regime.** In lieu of the incentives allowed under the RE Act, a Solar Energy Developer may elect to avail itself of the incentives under the National Internal Revenue Code of 1997, as amended by RA 11534, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises Act" (CREATE). Unless the Solar Energy Developer signifies its intention to avail itself of the incentives under CREATE at the time of issuance of COR, it shall be considered as having availed itself of the incentives under the RE Act. Once the Solar Energy Developer elects to avail itself of the incentives under CREATE, such election shall be considered irrevocable and no incentives under the RE Act shall be allowed thereafter.

CHAPTER VII – MISCELLANEOUS PROVISIONS

32. **Mandatory Review.** The MENRE shall conduct a comprehensive review and evaluation of the implementation of the requirements for RE Applications under Annex "C" within six (6) months or as necessary from the effectivity of this Circular. The review shall assess whether the requirements for RE Contract Applications align with the objectives of the RE Act and its IRR. Based on the findings of the review and evaluation, the MENRE may revise the requirements for RE Applications under Annex "C" through an Advisory.

CHAPTER VIII – FINAL PROVISIONS

33. **Extension of Timelines.** Subject to the provisions of RA 11234, the respective timelines provided under this Circular may be extended for the same period prior to the lapse of the subject period: Provided, That the MENRE shall notify the affected party in writing of the reason for the extension and shall provide the final date of release of the matter requested.

Only one extension is allowed and shall, in no case, exceed sixty (60) calendar days. For this purpose, the Citizen's Charter of the REMS shall be amended to reflect the timelines herein provided.

34. **Information, Education and Communication Activities.** MENRE shall develop and implement a comprehensive information, education and communication activities that are designed to increase public awareness and appreciation of this Circular and the RE industry in general.

- 35. Separability Clause.** If for any reason, any provision of this Circular is declared unconstitutional or invalid by a court of competent jurisdiction, the other parts or provisions not affected thereby shall remain in full force and effect.
- 36. Repealing Clause.** The provisions of other circulars, orders, issuances, rules and regulations, which are inconsistent with the provisions of this Circular are hereby repealed, amended, superseded or modified accordingly.
- 37. Effectivity.** This Circular shall take into effect fifteen (15) days following the completion of its publication in the Bangsamoro Gazette or in a newspaper of regional circulation.

Issued this SEP 05 2025 at the Ministry of Environment, Natural Resources, and Energy, Bangsamoro Government Center, Governor Gutierrez Avenue, Rosary Heights 7, Cotabato City.


AKMAD A. BRAHIM
Minister



Appendix: Annexes of the Memorandum Circular

ANNEX "A"	Template Solar Energy Operating Contract
ANNEX "A-1"	Template Certificate of Authority
ANNEX "A-2"	Template Certificate of Registration
ANNEX "A-3"	Template Accounting Procedures
ANNEX "A-4"	Template Work Program (Land-based Solar)
ANNEX "A-5"	Template Work Program (Floating Solar)
ANNEX "B"	Template Letter of Intent
ANNEX "C"	Checklist of Requirements for RE Application
ANNEX "C-1"	Template Affidavit of Acquisition of Possessory Rights over Private Lands for SEOC Application
ANNEX "C-2"	Template Affidavit of Acquisition of Possessory Rights over Public Lands for SEOC Application
ANNEX "D"	Mapping Requirements
ANNEX "D-1"	TD+Form for Blocking
ANNEX "D-2"	Sample Map 1 - Blocking
ANNEX "D-3"	ISD+LDC+Form for Non-Blocking
ANNEX "D-4"	Sample Map 2 - Non-Blocking
ANNEX "E"	Template Certificate of Registration for Own-Use