



Republic of the Philippines

DEPARTMENT OF ENERGY

DEPARTMENT ORDER NO. DO2022-03-0005^m

GUIDELINES ON THE ISSUANCE OF THE CERTIFICATE OF ENERGY EFFICIENCY COST REDUCTIONS (EECR)

WHEREAS, Republic Act No. (RA) 11285 or the Energy Efficiency and Conservation (EEC) Act, has for its main goals, institutionalizing energy efficiency and conservation, enhancing the efficient use of energy, and granting of incentives to energy efficiency and conservation projects;

WHEREAS, Section 5 of the EEC Act mandates the Department of Energy (DOE) to be the lead implementing agency of the Act, which shall be responsible for the planning, formulation, development, implementation, enforcement, and monitoring of energy management policies and other related energy efficiency and conservation plans and programs;

WHEREAS, DOE Department Order No. 2020-01-001, pursuant to the Section 9 of the EEC Act, organizes the Inter-Agency Energy Efficiency and Conservation Committee (IAEECC) to evaluate and approve government energy efficiency projects and provide strategic direction in the implementation of the Government Energy Management Program (GEMP);

WHEREAS, Section 43, Rule VIII of Department Circular No. DC2019-11-0014, or the Implementing Rules and Regulations of RA 11285 (EEC-IRR), provides for the full implementation of the EEC Act and for the expansion of the GEMP coverage to include all government agencies, including all departments, bureaus, offices, agencies, branches and instrumentalities or political subdivision, government-owned or controlled corporations (GOCCs), including their subsidiaries or other self-governing boards or commissions of the Government, local government units (LGUs), and state universities, and colleges (SUCs);

WHEREAS, DOE Department Order (DO) No. DO2020-01-001 organizes the Inter-Agency Energy Efficiency and Conservation Committee (IAEECC) and lays down its powers and functions to primarily evaluate and approve government energy efficiency projects (GEEPs), and to provide strategic direction in the implementation of the GEMP;

WHEREAS, IAEECC Resolution No. 1, s. 2020 directs all government agencies to comply with the GEMP, orders the DOE to conduct energy audits, spot checks, technical analysis and other research activities relative to energy efficiency projects of all GEs for the improvements of GEMP;

WHEREAS, IAEECC Resolution No. 5, s. 2022 adopts the GEMP Guidelines, which include, among others, the processes and procedures for the implementation of the GEMP and the issuance of a Certificate of Recognition/Energy Efficiency Cost Reduction Certificate (EECR Certificate) for qualified government entities (GEs);

WHEREAS, Section 13 of the GEMP Guidelines encourages all GEs to reduce their electricity and fuel consumption by at least ten percent (10%) from the base period of the monthly electricity and fuel consumption from January to December 2015, or from the appropriate base period applicable to the GE as approved by DOE;

WHEREAS, Section 14 of the GEMP Guidelines, directs all GEs to purchase Energy Consuming Product (ECP) which are compliant with DOE-administered Philippine Energy

Labeling Program (PELP) and Minimum Energy Performance for Product (MEPP) and likewise, encourage the phased-in replacement program for other ECPs; and

WHEREAS, Section 18 of the GEMP Guidelines, upon DOE's issued EECR Cost Reductions Certificates, authorizes GEs to use the said certificates for improvements in energy efficiency and conservation in the GE's facilities, as well as providing other incentives, subject to budgetary, civil service, and auditing laws, rules, and regulations.

NOW, THEREFORE, for and in consideration of the foregoing premises and pursuant to its mandate under the EEC Act and IAEECC Resolution No. 5, series of 2022, the DOE hereby orders the following:

Section 1. Title. This Department Order shall be known as the "Guidelines on the Issuance of Energy Efficiency Cost Reductions (EECR) Certificates."

Section 2. Scope. This DO shall cover the process for evaluation and issuance of EECR Certificates.

EECRs shall be derived from mandatory expenditures under the General Appropriations Act (GAA) programmed for petroleum, oil, lubricants, illumination, and power services. EECRs that will be considered must be generated from recognized activities, initiatives, and projects under the GEMP Guidelines

A separate issuance on EECR for advanced vehicles (e.g., electric and hybrid vehicles) as well as other vehicle types for land (e.g., farm machinery, heavy equipment, rail systems, etc.) air, and sea may be issued; hence they shall not be covered by this DO.

Section 3. Requirements for the Issuance of EECR Certificates. GEs requesting for the issuance of the EECR Certificates should attain a reduction of at least five percent (5%) for energy consumption from the base period of January to December 2015 or the applicable base period approved by the DOE. EECR Certificates can only be computed for a 12-month period.

3.1. GEs through their EEC Officer and/or EEC Focal Person must submit an endorsement letter (Annex A).

In the absence of Monthly Electricity Consumption Report (MECR) and Monthly Fuel Consumption Report (MFCR) submissions under IAEECC Resolution No. 1, series of 2020 in the GEMP Online System, the EEC Officer and/or EEC Focal Person must sign and attach certified true copies of the following:

- a. MECR;
- b. Corresponding Monthly Electric Bills (clearly visible information) or other proof of billing for owned and leased facilities;
- c. MFCR;
- d. Proof of fuel consumption (such as any of the following: fuel receipts, general services fuel consumption report, etc.) for government-owned vehicles. This also includes the consumption of authorized non-government vehicles which fuel costs are chargeable to appropriations authorized for the GEs; and;
- e. Inventories of energy-consuming equipment (e.g., air conditioning units, lighting, office equipment) and vehicles.

3.2. GEs utilizing the GEMP Online System are encouraged to submit their endorsement letter, including the attachments to gemp@doe.gov.ph. However, those who opt to submit their endorsement letter physically may submit it,

together with the attachments listed in the immediately preceding section, before the DOE Records Management Division.

- 3.3. Prior DOE approval should be sought for the use of a different base period other than the prescribed January to December 2015 base period.

GEs which will request for a change in base periods shall submit an Endorsement Letter for Change in Base Period (Annex B). The said change in base period shall be within the period of January to December 2015 or the applicable appropriate base period as approved by the DOE.

The Energy Utilization and Management Bureau (EUMB) shall review the requests based on IAEECC directives and the GEMP guidelines.

The requesting GE shall be informed in writing (Annex C) of the list of the approved or disapproved changes.

- 3.4. Requests for Memorandum of Exemptions as provided by the GEMP Guidelines shall be reviewed by EUMB upon submission by the GEs of Endorsement Letter of MOE (Annex D). The Department, through the concerned Undersecretary/Assistant Secretary, shall inform the requesting GEs of the status of their request following the template in Annex E and Annex F.
- 3.5. Pursuant to Section 18 of the GEMP Guidelines, the EECR Certificate template (Annex G) shall indicate whether the GE attained ten percent (10%) EECR allowing one hundred percent (100%) use of the accumulated EECR, or five percent (5%) EECRs allowing fifty percent (50%) use of the EECRs.
- 3.6. EECRs should not have been generated from previously released Accounts Payable on electricity and fuel expenses from the Department of Budget and Management (DBM).
- 3.7. For GEs adopting alternative work arrangements approved by the Civil Service Commission, requests for EECR Certificates shall be considered for those adopting a manpower complement of not less than 50% for more than six (6) months. The latest office policies shall serve as proof of the implemented work arrangements.
- 3.8. Letter request for the issuance of the EECR Certificate may be filed from January to March of the year following the period covered (e.g., generated EECRs from January to December 2020 are filed on January to March 2021).

Section 4. Processing and Issuance of the EECR Certificates. Only complete submissions complying with Section 3 of this Department Order will be processed by the DOE through the EUMB. GEs with incomplete submissions will be given seven (7) days to comply, otherwise, said submissions will be returned to the requesting GEs.

- 4.1 EUMB will conduct an evaluation of the documents. It may also conduct an assessment, interview, or an energy audit spot check for the veracity of the information submitted by the requesting GE, and compliance with the GEMP Guidelines and other IAEECC issuances.
- 4.2 Computation for EECR shall be based on actual data using the guide in Annex H.
- 4.3 The results of the evaluation will be forwarded to the Supervising Undersecretary or Assistant Secretary of the EUMB who will sign the letter

endorsement to the DBM with the EECR Certificate, or the letter to the GE on the non-processing. Attached are templates of the letter endorsement to the DBM as Annex J, EECR Certificate as Annex G, and letter to the GE on the non-processing as Annex K.

- 4.4 EUMB will transmit the letter endorsement to the DBM with the EECR Certificate, copy furnished the GE, or the non-processing letter to the GE.

The Process Flowchart for the Issuance of EECR Certificates is herein attached as Annex I.

Section 5. Reporting, Monitoring, and Evaluation. EUMB shall maintain a registry of issued EECR Certificates. A report shall be made to the IAEECC through the DOE Secretary annually.

Section 6. DOE Energy Audit Team (EAT). The EUMB shall be responsible for the composition of the DOE EAT consistent with existing issuances. The EUMB's Supervising Undersecretary or in his/her absence the EUMB's Supervising Assistant Secretary shall be the signatory for Annexes C, E, F, G, J, and K of this DO.

Section 7. Transitory Clause. All applications for EECRs received for 2021 will be governed by existing issuances prior to the effectivity of the GEMP Guidelines.

Section 8. Repealing Clause. The provisions of other circulars, orders, issuances, rules, and regulations which are inconsistent with the provisions of this DO are hereby repealed, amended, modified, or superseded accordingly.

Section 9. Separability Clause. If, for any reason, any section or provision of this DO is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 10. Effectivity. This DO shall take effect immediately. A copy of this DO shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued at Energy Center, Bonifacio Global City, Taguig City.


ALFONSO G. CUSI
Secretary



MAR 22 2022

Annex A

ENDORSEMENT LETTER

Letterhead
(With contact details)

Date

DOE EUMB Director
Department of Energy

Dear *Sir/Madame*:

This is to request for the Certificate of Energy Efficiency Cost Reductions (EECR) in line with the Government Energy Management Program (GEMP) Guidelines.

Attached herewith are the documentary requirements. Further, the brief summary of the requested EE Cost Reductions covering the specific periods and offices can be found below:

Office	Energy Type	Base Period	Applied year for EECR	Address	Energy Efficiency and Conservation Contact Person	Contact Information	Email Address
1. Main Office	Fuel	2015	2021				
2. Region 1 Office	Electricity	2015	2021				

*the requesting office may attach the computed EECR for validation.

We certify that all the information provided is true and correct to the best of our knowledge.

Best Regards,

Name and Signature
EEC Officer and/or EEC Focal Person

Annex B

ENDORSEMENT LETTER FOR CHANGE IS BASE PERIOD

Letterhead
(With contact details)

Date

DOE EUMB Director
Department of Energy

Dear *Sir/Madame*:

This is regarding the request for the change in the base period in line with the Government Energy Management Program (GEMP) Guidelines.

The summary of the approved and disapproved request for change in base periods covers the following facilities:

Office	Asset Name	Proposed base period	Justification	Address	Energy Efficiency and Conservation Contact Person	Contact Information	Email Address
1. DOE Main Office	Building A	2016					

We certify that all the information provided is true and correct to the best of our knowledge.

Best Regards,

Name and Signature
EEC Officer and/or EEC Focal Person

Annex C



**Republic of the Philippines
DEPARTMENT OF ENERGY**

Date

Head of Agency

Dear **Sir/Madame**:

This is regarding the request for the change in the base period in line with the Government Energy Management Program (GEMP) Guidelines.

The summary of the approved and disapproved request for change in base period covers the following facilities:

Office	Asset Name	Proposed Base Period	Address	Action (Approved/Disapproved)
1. DOE Main Office	Building A-Data Center			

We certify that all the information provided is true and correct to the best of our knowledge.

Best Regards,

**Undersecretary/
Assistant Secretary**
Department of Energy

Energy Center, Rizal Drive., Fort Bonifacio, Taguig, Metro Manila, Philippines
Trunkline 479-2900 Loc 275/272/277/201/214, Fax 840-2243
Website: www.doe.gov.ph, Email: doe.eecd@gmail.com

Annex D

ENDORSEMENT LETTER FOR MOE

Letterhead
(With contact details)

Date

DOE EUMB Director
Department of Energy

Dear *Sir/Madame*:

This is regarding the request for the Memorandum of Exemption (MOE) in line with the Government Energy Management Program (GEMP) Guidelines.

The summary of the requested MOE covers the following:

Office	Asset/ Room Name	Justification for exemption	Address	Energy Efficiency and Conservation Contact Person	Contact Information	Email Address
1. DOE Main Office	Building A Data Center					

We certify that all the information provided is true and correct to the best of our knowledge.

Best Regards

Name and Signature
EEC Officer and/or EEC Focal Person

Annex E



**Republic of the Philippines
DEPARTMENT OF ENERGY**

MEMORANDUM OF EXEMPTION

This is to certify that the Energy Utilization Management Bureau has verified the programs/measures adopted by the **<Name of Government Entity>** and confirms the exemption of the following assets from the prescribed operational limits set forth by the GEMP Guidelines:

Office	Building/Facility/Room	Address	Action (Approved/Disapproved)
2. DOE Main Office	Building A- Center Room Data		

This memorandum of exemption is being issued to the **<Name of Government Entity>** in line with Section 12 of the GEMP Guidelines.

**Undersecretary/
Assistant Secretary**
Department of Energy

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Annex F



**Republic of the Philippines
DEPARTMENT OF ENERGY**

Letterhead
(With contact details)

Date

Head of Agency
Address

Dear *Sir/Madame*:

This is regarding the request for the Memorandum of Exemption in line with the Government Energy Management Program (GEMP) Guidelines.

Attached herewith is the MOE for the approved and disapproved items for exemption.

Best Regards,

**Undersecretary/
Assistant Secretary**
Department of Energy

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Annex G



Republic of the Philippines DEPARTMENT OF ENERGY

CERTIFICATION

This is to certify that the Department of Energy (DOE) has verified the programs/measures adopted by the **<Name of Government Entity>** and confirms the reported total electricity energy efficiency reduction of **000,000 kWh** amounting to **PhP 000,000** for the year **<Year>**.

Only ___% of the Energy Efficiency Cost Reductions (EECR) equivalent to **PhP 000,000** can be utilized. This is considering that ___% of the energy consumption based on the based period has been reduced. This is in observance of Section 13 of the GEMP Guidelines.

This certification is being issued to the **<Name of Government Entity>** for the use of such EECR in accordance with *Government Energy Management Program (GEMP) Guidelines*, as further defined in *Sec. 18. EEC Awards and Incentives*. *The GEs are authorized, upon issuance of the DOE certificate of EE cost reductions, to use the EE cost reductions for improvements in energy efficiency and conservation in the GE's facilities, as well as providing other incentives, subject to budgetary, civil service, and auditing laws, rules, and regulations.*

**Undersecretary/
Assistant Secretary**
Department of Energy

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Annex H

Computation of EECR with Sample Data

General Considerations for computations

1. The consumption of the same inventory of vehicles and list of buildings of the base period and year covered by the EEC requests shall be compared.
2. EECR for new fleets will be computed separately based on the appropriate or approved baseline. New buildings will also be considered through the computation of the specific energy consumption.
3. If the GE has generated EECRs for both fuel and electricity consumption within the same applied year. The total values shall be added for that year.
4. Only consumption data for land-based passenger vehicles shall be considered for the EECR computation for fuel.
5. Only consumption data with verifiable electric bills from distribution utilities will be considered in the EECR computation.

Electricity Consumption (General Formula)

1. EE Reductions, kWh = Summation (Σ) of the differences between the average monthly energy consumption of the base period (BPMC) and monthly consumption of each month for the year (LMC) covered by the EE Cost Reductions request.
2. EE Cost Reductions, Pesos = Summation (Σ) of the products of monthly EE Reductions and the average electricity rates per kWh.
3. Negative values that will be generated from the monthly computation shall indicate 0 kWh.
4. In cases where there are multiple electric meters with different base periods, EECRs and % EECRs shall be computed and derived for each meter.
5. The percent EECR for electricity shall be computed based on the difference (DC) between the total consumption of the base period (BC) and applied year (TC). The DC shall be divided by the TC and multiplied to 100%. Negative values shall be considered as 0%.

Electricity Consumption (Formula for GEs with Newly Constructed Buildings after the Baseline period Connected to One Electrical Meter)

1. The total consumption of the base period (TCBP) and applied year (TCAP) must be generated.
2. The total gross floor area (TGF) of the buildings connected to the electric meter of interest must be measured. The TGF for the base period (TFB) and the applied year (TAP) will be indicated.
3. The Specific Energy Consumption (SEC) will be computed by the total consumption by the associated floor area. The SEC shall be derived for the base period and applied year. The difference of the SEC will be generated and multiplied by the existing floor area to generate the EER square meter. Negative values that will be generated from the computation shall indicate 0 SEC.

4. The computed EER will be multiplied by the existing TGF. The same will be multiplied by the average cost of electricity.
5. The percent EECR for electricity shall be computed based on the difference of the SECs of the base period and year applied. The percent EECR for electricity shall be computed based on the difference between the SEC of the base period (SBP) and the applied year. The same difference shall be divided by the SBP and multiplied to 100%. Negative values shall be considered as 0% or no EECR change.

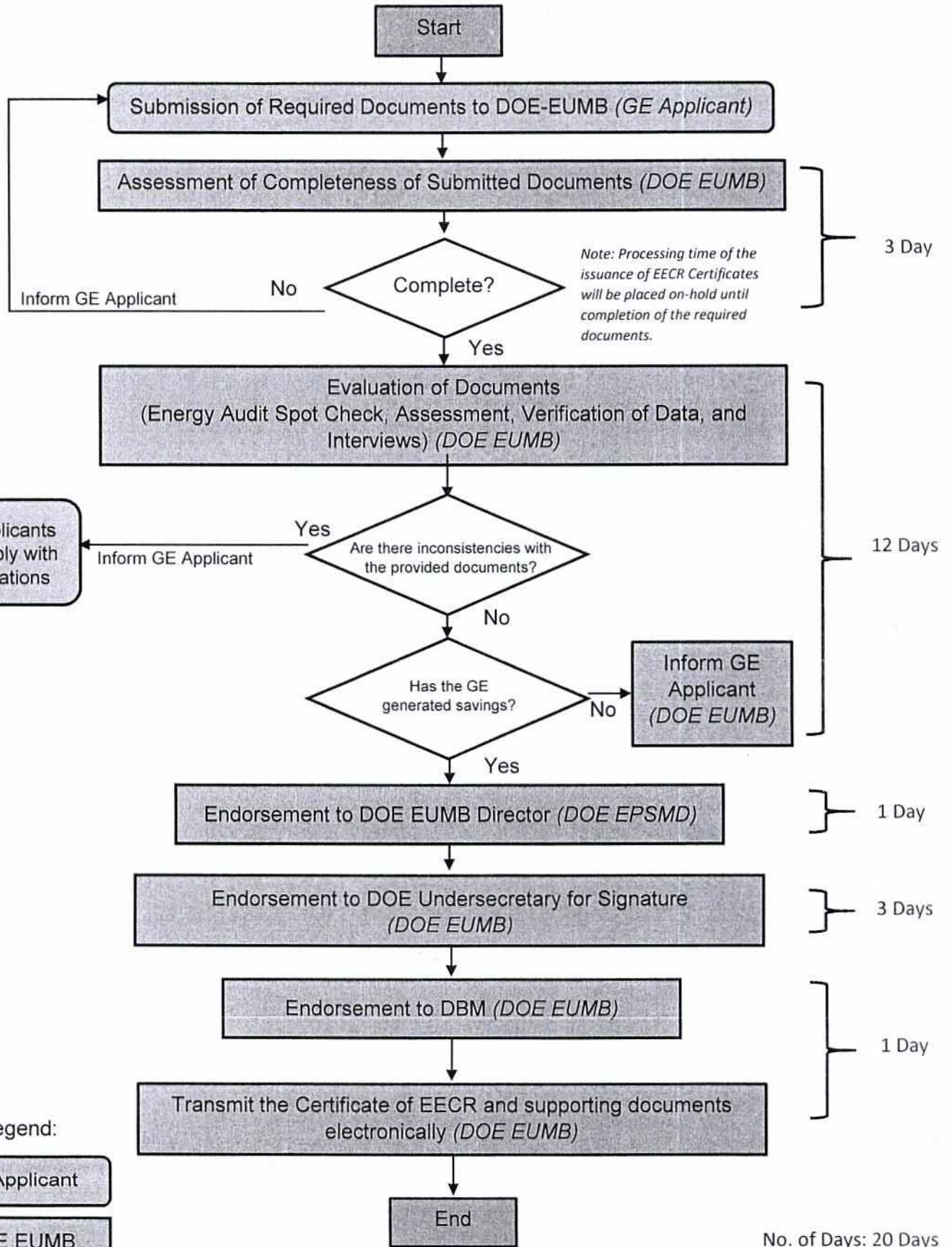
Illustrative Example

Row	Month	A	B	C
		2015 KWH, Consumption	2021 KWH, Consumption	2021 Actual cost of the monthly electric bill
1	January	116,800	163,660	1,544,767.69
2	February	116,000	164,460	1,627,157.98
3	March	112,000	168,460	1,582,589.53
4	April	62,400	218,060	2,972,430.07
5	May	87,200	193,260	1,507,806.18
6	June	132,800	147,660	1,343,467.15
7	July	277,600	2,860	21,629.83
8	August	120,000	160,460	892,560.90
9	September	130,976	149,484	1,132,933.88
10	October	130,560	149,900	1,207,188.09
11	November	134,912	145,548	1,156,185.32
12	December	130,560	149,900	1,200,765.03
13	Total Energy Consumption	1,551,808	1,813,708	16,189,481.65
14	Average Cost of Electricity			8.93
15	TGF (sqm)	500	600	
16	SEC	3,103	3,022	81
17	Total EER (KWH)			48,600
18	Total EECR (Pesos)			433,998.00
19	% EECR			2.61

Fuel Consumption

1. EE Reductions, liters = Summation (Σ) of the differences between the average monthly energy consumption of the base period (BPMC) and monthly consumption of each month for the year (LMC) covered by the EE Cost Reductions request.
2. EE Cost Reductions, Pesos = Summation (Σ) of the products of the monthly EE Reductions and the average fuel rate per liter.
3. Different fuel types (eg. gasoline and diesel) must be computed separately.
4. Negative values that will be generated from the computation shall indicate 0 liters.
5. The percent EECR for fuel shall be computed based on the difference (DC) between the total consumption of the base period (BC) and applied year (TC). The DC shall be divided by the TC and multiplied to 100%. Negative values shall be considered as 0%.

Annex I
PROCESS FLOWCHART FOR THE ISSUANCE OF EECR CERTIFICATES



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Annex J



**Republic of the Philippines
DEPARTMENT OF ENERGY**

Date

DBM UNDERSECRETARY
Department of Budget and Management

Dear *Sir/Madame*:

In accordance with Sec. 41 on Procedural Guidelines of Circular Letter No. 2008-9 issued by the Department of Budget and Management on November 26, 2008, we are submitting herewith the certificate validating the consumption reduction in electricity/fuel reported by the **<Name of Government Entity>** to avail the use of energy efficiency cost reductions in the amount of **PhP 000,000.00** for the year 2020.

For the Undersecretary's favorable consideration.

Very truly yours,

**Undersecretary/
Assistant Secretary**
Department of Energy

Energy Center, Rizal Drive., Fort Bonifacio, Taguig, Metro Manila, Philippines
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Annex K



**Republic of the Philippines
DEPARTMENT OF ENERGY**

Date

Dear *Sir/Madame*:

This has reference to your letter dated <Date> regarding the request for the issuance of Certificate of Energy Efficiency Cost Reductions (EECR).

The DOE has evaluated the consumption reduction in electricity and fuel reported by the <**Name of Government Entity**> for the year <Year>. However, we regret to inform you that we can't process the issuance of the Certificate of EECR since your office has not generated energy efficiency cost reductions.

For clarifications and/or any concerns, please contact the Energy Efficiency and Conservation Public Sector Management Division (EPSMD) at telephone numbers 8840-2243 and 8479-2900 local 201/205.

Thank you very much.

Very truly yours,

**Undersecretary/
Assistant Secretary**
Department of Energy

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