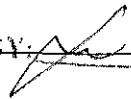


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SENATE
S. No. 2751

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Philippines will benefit greatly from solar power due to the high levels of sunlight it receives throughout most of the year. Harnessing clean renewable energy such as solar power can reduce our dependence on fossil fuels and protect the environment.

Worldwide, solar photovoltaic technologies are moving rapidly from serving off-grid niche markets like remote locations to becoming a mainstream electricity source. Developed countries such as the United States and Japan actively promote the use of these technologies in residential homes and commercial businesses.

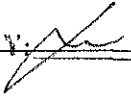
In the Philippines, the cost of a home or commercial solar system must fall to the level where it makes long-term financial sense for a homeowner or a business to install the system. Government incentives can help make solar power cost-competitive with traditional electricity sources.

Investing in solar power can only lead to greater energy stability and energy independence, mitigate global warming and air pollution, and economic benefits such as increased jobs and lower energy bills.


MIRIAM DEFENSOR SANTIAGO

'11 MAR 17 P2:29

SENATE
S. No. 2751

RECEIVED BY: 

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1 AN ACT
2 PROVIDING COMPETITIVE GRANTS TO LOCAL GOVERNMENTS FOR REBATES,
3 LOANS, AND OTHER INCENTIVES TO ELIGIBLE INDIVIDUALS OR ENTITIES FOR
4 THE PURCHASE AND INSTALLATION OF SOLAR ENERGY SYSTEMS FOR
5 PROPERTIES LOCATED IN THE PHILIPPINES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

6 SECTION 1. *Short Title.* – This Act shall be known as the “Solar Roofs Act of 2010.”

7 SECTION 2. *Declaration of Policy.* – It is the policy of the State to promote alternative
8 and renewable sources of energy with due regard to public health and the environment,
9 consistent with the country’s sustainable economic growth.

10 SECTION 3. *Definitions.* – In this Act, the term—

11 (a) “eligible participant” means—

12 (1) an owner of a home;

13 (2) a business entity;

14 (3) a school, college, or university; and

15 (4) any other individual or entity that the Secretary of Energy determines to be
16 appropriate pursuant to the purposes of this Act;

17 (b) “installed nameplate capacity” means the maximum output of a solar electric
18 system under specific conditions designated by the manufacturer of the solar
19 electric system;

20 (c) “Secretary” means the Secretary of Energy;

21 (d) “solar energy system” means rooftop or ground-mounted solar equipment—

22 (1) that is used to generate electricity or heat water; and

- 1 (2) with an installed nameplate capacity not exceeding one (1) megawatt or
2 the thermal equivalent of one (1) megawatt.

3 SECTION 4. *Rebates, Loans, and Other Incentives for Purchase and Installation of Solar*
4 *Energy Systems.* – (a) In General—There is hereby established under this Act a program, to be
5 administered by the Secretary of Energy, which shall provide competitive grants to local
6 governments to provide rebates, loans, or other incentives to eligible participants for the
7 purchase and installation of solar energy systems for properties located in the Philippines.

8 (b) Implementation—The Secretary shall adopt and implement criteria for awarding
9 competitive grants under subparagraph (a) to local governments that would—

- 10 (1) provide the maximum leverage of government funds;
11 (2) provide for the maximum deployment of solar energy;
12 (3) ensure that grants are awarded to a diversity of geographic locations and
13 recipients with different population sizes; and
14 (4) provide a preference for grant recipients that have established and maintained, or
15 agree to commit to establish and maintain, standards and policies to overcome
16 barriers to distributed generation (including interconnection and net metering) in a
17 manner consistent with the legal authorities of the grant recipient.

18 (c) Authorized Use of Funds—Competitive grants under this section may be used to
19 expand an existing, or establish and fund a new—

- 20 (1) solar rebate program;
21 (2) solar loan program;
22 (3) solar performance-based incentive program; or
23 (4) other solar incentive programs not described in this section, as determined by the
24 Secretary.

25 (d) Program Requirements—For each fiscal year during which a grant recipient uses
26 funds provided under this section, the grant recipient shall—

- 27 (1) certify to the Secretary that the funds will be used—
28 (i) to supplement, expand, or create new programs or projects and will not
29 supplant existing programs as to maximize program participation; and

- 1 (ii) to deploy an increased quantity of solar energy systems; and
2
3 (2) submit to the Secretary an implementation plan that contains—
4 (i) projections for solar energy systems deployment;
5 (ii) data regarding the number of eligible participants that are assisted under
6 existing applicable State and local programs; and
7 (iii) projections for—
8 (I) additional solar energy system deployment; and
9 (II) the number of additional eligible participants who will be covered
10 by the annual implementation plan.
- 11 (e) Solar Energy System – With respect to grant awards in any fiscal year under this
12 section, the Secretary may specify the type and capacity of the solar energy system and type of
13 deployment or incentive program for which the grant funds are made available.
- 14 (f) Share – Each eligible entity that receives funds under this section shall be
15 responsible for an amount equal to twenty (20) percent of the amount of the provided funds.
- 16 (g) Administrative Expenses – Not more than five (5) percent of the amounts made
17 available for each fiscal year under this section may be used to pay the administrative expenses
18 of the Department of Energy that the Secretary determines to be necessary to carry out this Act,
19 including expenses arising from monitoring and evaluation.
- 20 (h) Maximum Incentive –
21 (1) In General – With respect to each rebate, grant, and tax credit provided to
22 an eligible participant under this section, the aggregate value of the grants,
23 rebates, and tax credits may not exceed fifty (50) percent of the cost to the
24 purchaser of the purchase and installation of the solar energy system.
- 25 (2) Effect – Nothing in this subsection affects any solar loan or financing
26 program under this section or any other law or regulation.
- 27 (i) Goal – It is the goal of the Philippines, through this Act and any appropriate
28 incentive or research and development program, to install distributed solar energy systems on not
29 less than 1,000,000 properties located in the Philippines by 31 December 2021.

1 SECTION 5. *Regulations.* – The Secretary shall promulgate the necessary rules and
2 regulations to carry out the objectives of this Act.

3 SECTION 6. *Authorization of Appropriations.* – To carry out the provisions of this Act,
4 there are authorized to be appropriated such sums as may be necessary for each fiscal year.

5 SECTION 7. *Separability Clause.* – If any provision or part hereof is held invalid or
6 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
7 valid and subsisting.

8 SECTION 8. *Repealing Clause.* – Any law, presidential decree or issuance, executive
9 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
10 with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

11 SECTION 9. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
12 publication in at least two (2) newspapers of general circulation.

Approved,