Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

BAGONG PILIPINAS

DEPARTMENT CIRCULAR NO. DC2025-04-0008

PROMULGATING THE REVISED RULES GOVERNING THE PROCESSING AND EVALUATION OF DIRECT CONNECTION APPLICATIONS OF INDUSTRIAL, COMMERCIAL AND OTHER ELECTRICITY END-USERS

WHEREAS, Republic Act (RA) No. 7638, otherwise known as the "Department of Energy Act of 1992", mandates the Department of Energy (DOE) 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, RA 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" or EPIRA, states that it is the policy of the State to: (i) ensure the quality, reliability, security, and affordability of the supply of electric power; (ii) ensure transparent and reasonable prices of electricity in a regime of free and fair competition and full public accountability to achieve greater operational and economic efficiency and enhance the competitiveness of Philippine products in the global market; (iii) protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power; and, (iv) encourage the efficient use of energy and other modalities of demand side management;

WHEREAS, Section 37 of the EPIRA mandates the DOE, among others, to: (i) supervise the restructuring of the electric power industry; (ii) formulate rules and regulations as may be necessary to implement the objectives of the EPIRA; and, (iii) exercise such other powers as may be necessary or incidental to attain the objectives of the EPIRA;

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WHEREAS, Section 9 of the EPIRA states that the National Transmission Corporation (TransCo) or its Buyer/Concessionaire shall provide open and non-discriminatory access to its transmission system to all electricity users;

WHEREAS, Section 23 of the EPIRA states that Distribution Utilities (DU) shall provide universal service within their franchise, over a reasonable time from the requirement thereof, in a manner that shall sustain the economic viability of the utility, subject to the approval by the Energy Regulatory Commission (ERC) in the case of private or government-owned utilities;

WHEREAS, on 08 May 2014, the ERC endorsed to the DOE all direct connection applications in compliance with the ruling in *Mactan Electric Company, Inc. (MECO) v. NPC, et al.* (G.R. No. 172960, March 26, 2010), where the Supreme Court (SC) held that the DOE has jurisdiction over disputes relative to the distribution of energy resource, specifically the direct supply of electricity, and that it was neither within the authority of the ERC nor the Regional Trial Court to resolve such matter;

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WHEREAS, in the case of *National Power Corporation and Fine Chemicals (Phils.), Inc. v. Court of Appeals (CA) and the Manila Electric Company* (G.R. No. 84695, May 8, 1990) the SC, citing their ruling in *Alger Electric, Inc. v. CA* (G.R. No. L-34298, February 28, 1985) stated:

> "Exclusivity is given by law with the understanding that the company enjoying it is self-sufficient and capable of supplying the needed service or product at moderate or reasonable prices. It would be against public interest where the firm granted a monopoly is merely an unnecessary conduit of electric power, jacking up prices as a superfluous middleman or an inefficient producer which cannot supply cheap electricity to power intensive industries. It is in the public interest when industries dependent on the heavy use of electricity are given reliable and direct power at the lowest costs thus enabling the sale of nationally marketed products at prices within the reach of the masses."

WHEREAS, Section 5 of RA 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018", mandates all offices and agencies which provide government services to regularly undertake cost compliance analysis, time and motion studies, undergo evaluation and improvement of their transaction systems and procedures and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time;

WHEREAS, Section 5 of RA 11234, otherwise known as the "Energy Virtual One-Stop Shop Act", established the Energy Virtual One-Stop Shop (EVOSS) under the supervision of the DOE and mandated the agency to operate and maintain an effective information technology infrastructure system which shall be updated regularly;

WHEREAS, on 09 January 2020, the DOE promulgated Department Circular (DC) No. DC2020-01-0001 titled "Prescribing the Rules Governing the Review and Evaluation of Direct Connection Applications of Industrial, Commercial and Other Electricity End-users";

WHEREAS, on 10 May 2022, the DOE promulgated DC No. DC2022-05-0014 titled "Amending Department Circular No. DC2020-01-0001 on Rules Governing the Review and Evaluation of Direct Connection Applications of Industrial, Commercial and Other Electricity End-users"; and

WHEREAS, the DOE deemed it necessary to provide supplementary guidelines to address the issues and concerns on the process and requirements for applications for Direct Connection and to facilitate the compliance of Directly Connected Customers (DCCs) with existing laws and regulations.

NOW THEREFORE, in consideration of the foregoing, the DOE hereby issues and adopts the following revised rules and regulations for Direct Connection, thereby superseding DOE DC No. DC2020-01-0001, as amended by DC No. DC2022-05-0014:

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Rule 1
General Provisions

Section 1. Title and Scope. This Circular shall be known as the "Revised Rules Governing the Processing and Evaluation of Direct Connection Applications of Industrial, Commercial and Other Electricity End-users", hereinafter referred to as the "Revised DCC Rules".

Section 2. Purpose. The Revised DCC Rules sets the general rules and procedures to guide *End-users* and all other concerned stakeholders, such as the *Distribution Utility (DU)* and the *Transmission Network Provider (TNP)*, in facilitating their application for *Direct Connection* or the renewal of such arrangement.

Section 3. General Principles. The following principles shall be adopted in the review and evaluation of applications for *Direct Connection*:

3.1. *Direct Connection* may be afforded to the following:

3.1.1 Existing DCC as follows:

3.1.1.1 Previously waived by the *DU*;

3.1.1.2 Previously approved by the ERC or confirmed by an order by the court as a duly qualified *End-user* to be directly connected to the *TNP*; or

3.1.1.3 Considered a DCC by virtue of an original supply agreement with the National Power Corporation (NPC) or the Power Sector Assets and Liabilities Management Corporation (PSALM).

3.1.2 *End-users* applying for *Direct Connection*. In addition to Section 12 of these Rules, *Direct Connection* Applications shall refer to:

3.1.2.1. High demand and energy-intensive new *End-users* with at least 5 MW monthly projected demand for at least three (3) consecutive months, requiring delivery voltage of at least 69 kV, where the *DU* cannot provide the technical facilities;

3.1.2.2. Manufacturing *End-users* whose production is sensitive to sudden power fluctuations regardless of the demand;

3.1.2.3. Government entities or its representative operating hospitals, irrigation systems, mass transportation system, water treatment facilities, or other *Critical Infrastructures* situated within the DU's franchise area; and

3.1.2.4. Any other entities applying for *Direct Connection* that have been waived by the franchised *DU*.

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3.2. The approval of *Direct Connection* shall not compromise the stability and reliability of the *Grid*.

3.3. The approval of the *Direct Connection* shall be determined on the basis of DU's issuance of a *Waiver* or the DU's failure to provide the required services of an *End-user*, subject to sufficient documentation by the latter, or an exemption granted by the DOE in accordance with these Rules, as the case may be.

3.4. The *Applicant*'s connection facility requirements shall not form part of the regulatory asset base of the TNP.

3.5. All *DCCs* that have successfully acquired approval from the DOE shall continue to enjoy their *DCC* status until such time that the *DU* revokes the issued *Waiver*, as provided in Section 12 of these Rules.

3.6. All *DCCs* shall comply with the applicable provisions of the Philippine Grid Code and other requirements of the TNP.

3.7. Any dispute arising from seeking *Direct Connection* shall not result in the disconnection of any *End-user*. This notwithstanding, the application shall be evaluated and resolved by the DOE in accordance with these Rules. A dispute concerning the reliability of services of a *DU* shall be referred to the ERC. The decision of the ERC on a dispute concerning the reliability of a DU's services may be considered by the DOE in the evaluation of the application for *Direct Connection*.

3.8. For *End-users* within an Economic Zone, the Ecozone Developer and/or Operator or an entity acting as a distributor of electricity in the Ecozone, whichever is applicable, may issue the *Waiver* as defined under these Rules.

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Section 4. Coverage. The evaluation of applications for *Direct Connection* of an *End-user* that has secured a *Waiver* from its franchised *DU*, or whose application has been *Deemed Waived,* or qualified for exemption as indicated in these Rules, shall cover the following:

4.1. Any existing *DCC* that has not secured prior approval from the DOE but has an authorization from the ERC or is a previous customer of NPC/PSALM, intending to renew its Transmission Service Agreement (TSA) with the *TNP*;

4.2. Any *End-user* already connected to the transmission facility of the *TNP* but has not secured prior approval from the DOE, ERC, or was not a customer of NPC/PSALM;

4.3. A new *End-user* requiring delivery voltage of 69 kV and above, and is willing to shoulder the cost of associated infrastructure as determined by the *TNP*, if not yet available;

4.4. *DU*;

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4.5. *TNP*; and

4.6. ERC.

Section 5. Definition of Terms. For the purpose of these Rules, the following terms are defined, as follows:

5.1. **Action** refers to a final decision (approval or disapproval) of a DU on an application for *Direct Connection* by an *End-user*;

5.2. **Applicant** refers to an *End-user* or its duly authorized representative who applied for *Direct* Connection either for renewal or approval;

5.3. **Critical Infrastructure** refers to any publicly-owned or operated systems and assets, whether physical or virtual, so vital to the Republic of the Philippines that the incapacity or destruction of such systems or assets would have a detrimental impact on national security, and other such vital services as may be declared by the President of the Philippines;

5.4. **Deemed Waived** refers to a situation wherein the *DU* surrendered its obligation to serve the *End-user* as provided in Section 12.3 of these Rules;

5.5. **Directly Connected Customer (DCC)** refers to an *End-user* who is supplied with electricity through the Grid or sub-transmission assets operated by the *TNP*;

5.6. **Direct Connection** refers to an arrangement for the supply of energy to an *End-user* directly connecting to the Grid or sub-transmission assets that are operated by the *TNP*. Said arrangement shall be based on: (1) Earlier approval by the ERC, (2) Earlier contract with NPC or PSALM, or (3) Approval by the DOE;

5.7. **Distribution Utility (DU)** refers to an Electric Cooperative, private corporation, government-owned utility, or existing local government unit that has an exclusive franchise to operate a distribution system. This includes Ecozone Utilities under the Philippine Economic Zone Authority (PEZA), as defined under Section 2 of the Implementing Rules and Regulations of RA 7916;

5.8. **End-user** refers to any person or entity requiring the supply and delivery of electricity for its own use;

5.9. **Grid** refers to the high voltage backbone system of interconnected transmission lines, substations and related facilities, located in each of Luzon, Visayas and Mindanao, or as may be determined by the ERC in accordance with Section 45 of the EPIRA;

5.10. **Sub-transmission Asset** refers to the facilities related to the power delivery service operating below the transmission voltages, and based on the functional assignment of assets, including but not limited to, step-down

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transformers used solely by load customers, associated switchyard/substations, control and protective equipment, reactive compensation equipment to improve customer power factor, overhead lines and the land on which such facilities/equipment are located. For this purpose, this includes the assets of TransCo or its Buyer/Concessionaire linking the transmission system and the distribution system which are neither classified as a generation nor transmission asset;

5.11. **Transmission Network Provider (TNP)** refers to the party that is responsible for maintaining adequate Grid Capacity, in accordance with the provisions of the Philippine Grid Code; and

5.12. **Waiver** refers to the duly notarized document stating that the *DU* does not pose any objection to the application for *Direct Connection* of the *End-user*, which is executed by any duly authorized representative of the DU Board and supported by a notarized Secretary's Certificate.

Rule 2
Procedures for Submission and Evaluation of Applications

Section 6. Requirements for Application. An *Applicant* intending to avail of or to renew a *Direct Connection* arrangement shall apply through the DOE's EVOSS System.

6.1. An application is considered as new if the *Applicant*:

a. Does not fall under Section 3.1.1 of these Rules;

b. Is a new *End-user* seeking an electricity connection; or

c. Is an existing electricity *End-user* currently being served by its *DU*.

6.2. An application is considered a renewal if the *Applicant* falls within Section 3.1.1 of these Rules.

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Section 7. Submission and Acceptance of Application

7.1. The DOE shall only accept *Direct Connection* applications with complete documentary requirements as provided in Annex "A" of these Rules.

7.2. A new application pursuant to Section 6.1 of these Rules shall comply with the *Waiver* requirement as defined herein.

7.3. In case the new application falls under the *Deemed Waived* provision under Section 12.3 of these Rules, the *Applicant* must initially exhaust all appropriate services for an electricity connection to the *DU* prior to submission of a *Direct Connection* application. In case of failure by the *DU* to render the required services within the specified timeline, the *Applicant* shall execute an attestation, attached to these Rules as Annex "B", together with complete supporting documentary evidence, which must be furnished

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to the *DU* not less than thirty (30) working days before the filing of a *Direct Connection* application in the EVOSS System. The corresponding attestation shall be recognized in lieu of a *Waiver* to evaluate the application.

7.4. Existing DU-connected *End-users* intending to apply for *Direct Connection* on the grounds of alleged unreliable service by the *DU* shall seek first the ERC's determination of the DU's capability to provide reliable services. In such case and until the ERC has decided on the reliability of the DU's services, the DOE shall not accept any *Direct Connection* application relative thereto. Should the ERC decide in favor of the *End-user*, the *End-user* may submit its application for *Direct Connection* pursuant to these Rules. Otherwise, the ERC may compel the *DU* to provide reliable services to the *End-user*, subject to the corresponding approval of capital expenditure requirements by the *DU*, or promulgate other just and equitable resolution thereto.

7.5. All existing *DCCs* falling under Section 3.1.1 of these Rules shall apply for the renewal of their *DCC* status not later than three (3) months from the expiration of the TSA with *TNP*.

Failure of the *DCC* to file a renewal application with the DOE for its *DCC* status within said period shall result in the non-renewal by the *TNP* of the TSA and subsequent disconnection of its service. However, the *TNP* may allow an extension of the TSA for a period not exceeding ninety (90) calendar days for a *DCC* whose application is undergoing evaluation by the DOE. The *DCC* shall submit proof to the *TNP* of its DOE-accepted application.

7.6. Upon the DOE's acceptance of the application, an *Applicant* shall pay the corresponding processing fee in accordance with the Schedule of Fees and Charges in compliance with Administrative Order No. 31 dated 01 October 2012, and its Implementing Rules and Regulations, and submit a proof thereof in a manner required by the DOE.

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Section 8. Site Inspection.

8.1. The DOE may conduct site inspection for an accepted application particularly on the facilities: (1) intended for *Direct Connection;* (2) *TNP* connection point; and/or (3) the *DU* proposed connection point in case of objection, to verify the assertions of the *Applicant*, and to gather any other relevant information necessary for the review and evaluation.

8.2. In cases where the site inspection will not be feasible due to force majeure, *i.e.,* typhoons, tsunamis, earthquakes, volcanic eruption, or other cases where the conduct of inspection may jeopardize the safety of the personnel, the DOE can stall the processing of the application for *Direct Connection* or may request for a virtual site inspection, as it may deem necessary.

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Section. 9. Evaluation of an Application.

9.1. In all instances, the DOE shall approve or deny any application for *Direct Connection* based on the completeness of documents submitted by the *Applicant,* site inspection evaluation, and other gathered information within fifty (50) calendar days from the day after the site inspection in accordance with the procedure enrolled in the EVOSS System.

In case there are additional requirements to be completed by the *Applicant*, upon advice by the DOE, the same shall have the effect of stalling the running of the 50-calendar day period for the DOE to complete the evaluation and issuance of a decision letter. The remainder of the time frame shall resume as soon as the additional requirement is completed by the *Applicant*.

9.2. The evaluation period for an application shall commence after the conduct of site inspection and shall be completed within (50) calendar days culminating with the issuance of decision letter signed by the Secretary or his/her designated representative.

9.3. Applications with complete documentary requirements shall be evaluated in respect of the veracity of the submitted documents, as indicated in Annex "A" of these Rules.

9.4. The DOE may render a disapproval and/or cause the termination of evaluation of the *Direct Connection* application on the following basis:

9.4.1. Submission of tampered or falsified data/documents; or

9.4.2. Non-existing location and/or facilities of the *End-user*.

9.5. In its application for *Direct Connection*, the *End-user* shall attach a notarized attestation that any of the applicable instances indicated below may already warrant the acceptance of the application:

9.5.1. The *DU* has not responded to the application for electric service filed by the *End-user* within the period prescribed in Section 10.1 of these Rules or has not connected the *End-user* within a reasonable period agreed upon by the *DU* and *End-user*; and

9.5.2. The *DU* has failed to file its position on the application for *Direct Connection* of an *End-user* within seven (7) working days from the DOE's acceptance of such application.

The DOE shall evaluate the application for *Direct Connection* within fifty (50) calendar days after the conduct of site inspection; *Provided*, that complete documentary requirements including additional requirements, if any, are submitted by the *Applicant* within the time frame specified under these Rules, unless an extension is granted by the DOE.

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Section. 10. DU Objection on the Application.

In case the *DU* submits a written claim to the DOE that it is revoking or modifying the previous *Waiver*, the DOE shall provide seven (7) working days from receipt of the written claim for the *DU* to submit its final decision through a notarized attestation on its action on the *Waiver* and include, among others, a work plan to provide the required service of the *End-user* which shall be completed not later than ninety (90) working days or on a later date agreed upon by the parties reckoned from the DOE's decision on the application. During this period, the *TNP* shall continue to serve the existing *DCCs*.

Rule 3
Waiver Requirement and Exemptions

Section 11. Issuance of Waiver by the Distribution Utilities. A new *End-user* seeking *Direct Connection* may request a waiver or any equivalent document indicating that the *DU* poses no objection to the *Direct Connection* application of the *End-user*. Upon receipt of the request for a *Waiver* or similar document by the *End-user*, the *DU* is given thirty (30) calendar days to act on such request and release its decision. The *DU* may utilize the no objection template, attached as Annex "C" herein. Should the *DU* require additional time to respond to said request, the *DU* must duly notify the *End-user* of the extension no later than three (3) days before the lapse of the 30-calendar day period; *Provided*, That the *DU* shall issue its decision within the additional fifteen (15) calendar days. In any case, failure of the *DU* to respond to the request within the specified timeline shall be construed as the DU's non-objection to the *Direct Connection* of the *End-user* which shall be contained in the notarized attestation of the new *End-user*.

To be considered a valid waiver, the *DU* must have expressed in writing that it interposes no objection to the application for the *Direct Connection* of the *End-user* or it cannot meet the required connection of the latter.

Section 12. Non-Waiver of Obligations by Distribution Utilities. A new *End-user* seeking *Direct Connection* but has been refused to be waived by the *DU*, or an existing *DCC* whose application for renewal has been objected to by the *DU*, shall seek the services of the *DU* in accordance with its required specifications/connections and reliability requirements on a timeline mutually agreed upon. Accordingly, the *DU* shall ensure the following:

12.1. Release its *Action* on the application of the *End-user* for DU service within thirty (30) working days from the DU's receipt of the complete application;

12.2. A submission is considered complete when the *DU* accepts the *End-user*'s submission as complete in form and in substance and notifies the *End-user* of its decision. The notification of such decision shall be made not later than thirty (30) working days from the DU's receipt of the application, with an explanation in writing on the grounds if the *DU* decided not to accept; *Provided further*, That the failure of the *DU* to issue its notification of decision on the *End-user's* connection application within the 30-working day period

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shall be considered as having waived the DU's right to connect such *End-user.*

12.3. In case of an accepted submission by the *DU*, the responsibility to serve the *End-user* shall be *Deemed Waived* when the *DU* fails to complete the connection of an approved application within ninety (90) working days from the DU's acceptance or on a later date agreed in writing by the *DU* and the *End-user.*

Within ninety (90) working days from the DU's acceptance of the submission or on the agreed date of the parties, the *DU* shall process the electrical connection requirement of the *End-user.* In case there are additional processes required to be completed by the *End-user*, such as obtaining clearance or certificates from other agencies or entities, or fulfill other separate processes not within their authority, which include installations of facilities needed by the *End-user* which are not within the standard connection pursuant to applicable ERC regulations, the same shall have the effect of stalling the running of the 90-working day period or the date agreed by the parties to complete the connection. The remainder of the time frame shall commence to run as soon as the separate processes are completed by the *End-user*. The *End-user* shall ensure proper documentation of all matters concerning its application for connection with the *DU*.

During this period, the *DCC* status of the *End-user* shall be continuously recognized until the *DU* has connected the *End-user* to its distribution system.

In case the *DU* fails to connect the *End-user*, the *End-user* may commence its application for *Direct Connection*, together with the proof of the failure of the *DU* to connect such *End-user* based on the written agreement of both parties.

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Section 13. Exemption. The DOE may consider an exemption to the required *DU Waiver* of an application for *Direct Connection* of *End-users* categorized as government entities operating hospitals, irrigation systems, mass transportation systems, and water treatment facilities, and other *Critical Infrastructures* situated within the DU's franchise area. The exemption may also be considered for concessionaires under contract with these government entities and operating similar facilities. The application shall be filed under EVOSS and comply with the requirements specified under Annex "A".

The DOE may evaluate said application on the basis of the proof presented by the *End-user* on the benefits of *Direct Connection* to its operations and its intended beneficiaries or stakeholders.

Rule 4
Supervision and Regulation of DCCs

Section 14. Term of the DCC. The *DCC* status shall remain in force until such time that:

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14.1. The *DU* determines that it is capable of serving the requirements of the *DCC* and intends to revoke the *Waiver*.

The *DU*, at any time, may express its intention in writing to the *DCC*, copy furnished the DOE. The intention to revoke must be made more than three (3) months before the *DCC* applies for renewal. The letter shall provide, among others, the DU's assessment of the technical requirements and the timeline for the connection of the *DCC* to the *DU* system, which shall not be earlier than the end of the TSA but not later than six (6) months from its expiration. Otherwise, the *DCC* shall continue to enjoy its privileges as such.

Subject to the DOE's verification and assessment, the *DU* shall submit its distribution impact study on the *End-user* load, work plan, and timetable to provide the connection of the *End-user*. The DOE shall inform the *DU* in writing of its assessment and recommendation on the DU's intent to connect the *DCC*.

14.2. The *DU* acquired the *Sub-transmission Assets* to which the *DCC* is connected.

Upon the DU's acquisition from the TransCo of the concerned *Sub-Transmission Assets* to which the *DCC* is connected, the *DU* shall assume the responsibility to continuously serve the *DCC* and shall collect the corresponding wheeling rates duly approved by the ERC.

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Section 15. Request for Reconsideration. A party adversely affected by the decision of the DOE may, within fifteen (15) calendar days from receipt of the copy thereof, file a Request for Reconsideration. When no Request for Reconsideration is received during such time, the decision shall become final and executory.

Should a party file for a Request for Reconsideration, the parties are given fifteen (15) calendar days to submit all necessary documents to support their respective claims. Beyond said period, the DOE shall no longer accommodate any additional submission. The DOE shall resolve the Request within sixty (60) calendar days from the expiration of the time to submit comments or additional submissions. The decision made by the DOE on the request shall be deemed as final and executory, and no longer subject to another reconsideration. Pending the DOE decision, the status quo shall be observed.

Section 16. Monitoring of the DCCs. For proper accounting of the *DCC*s, the *TNP* shall, on a quarterly basis, submit to the DOE the list of all *DCC*s and other pertinent information such as:

17.1. Name of the *DCC*;
17.2. Location of the DCC;
17.3. Forecasted Demand;
17.4. Connection Point;
17.5. Existing Substation Connection;
17.6. Effectivity Date of the TSA;
17.7. Expiration date of the TSA; and

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17.8. Other information as may be required by the DOE issued through an advisory.

Should the *TNP* extend the TSA of the *DCC*, the same should be reported to the DOE.

Section 17. Transitory Provision. Nothing in these Rules shall affect the *DCC* status of any *End-user* duly granted prior to its effectivity. However, the succeeding renewal of such *DCC* status shall be governed by the provisions of these Rules.

All applications for *Direct Connection* pending upon the effectivity of these Rules shall be governed by the rules and regulations applicable at the time of application, unless the *Applicant* withdraws and files a new application.

Upon the effectivity of these Rules, all applications for *Direct Connection* shall henceforth be submitted in the existing EVOSS process. The DOE Investment Promotion Office shall ensure adjustments in the EVOSS system within six (6) months from the effectivity of these Rules.

Section 18. Other DCCs Without Prior DOE Approval or a Previous NPC/PSALM Customer. All existing *DCC*s which have not secured prior approval from the DOE, ERC, or were previously a customer of NPC/PSALM, are hereby directed to seek the DOE's approval of their *DCC* status by filing an application in accordance with these Rules within sixty (60) calendar days from the effectivity of this Circular. For this purpose, the *TNP* is hereby directed to advise all concerned *DCC*s to submit their respective applications.

In the event that a dispute on the reliability of services of the *DU* arises, the concerned parties may file a petition to the ERC pursuant to the applicable Rules on Consumer Complaints of the ERC, or any of its amendments or subsequent issuances relative thereto. The result of the dispute resolution shall be used by the *Applicant* as a supporting document on its *Direct Connection* application with the DOE.

Should the existing *DCC* fail to file said application within the prescribed period, the TNP is hereby directed to suspend the provision of service to the *DCC* until it has complied with these Rules.

Section 19. Regulatory Support. For the proper implementation of the policies set herein, the ERC is hereby enjoined to render the necessary regulatory support to ensure the impartial resolution of the disputes arising from the application of *Direct Connection*.

Rule 5
Miscellaneous Provisions

Section 20. Separability. If for any reason, any section or provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

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Section 21. Repealing. DC Nos. DC2020-01-0001 and DC2022-05-0014 are hereby repealed.

All other previous issuances, rules, and regulations inconsistent with the provisions of this Circular are likewise repealed or amended accordingly.

Section 22. Effectivity. This Circular shall take effect after fifteen (15) days upon its publication in two (2) newspapers of general circulation. A copy of this Circular shall be filed with the University of the Philippines Law Center-Office of National Administrative Register (UPLC-ONAR).

Issued this APR 16 2025 at the DOE, Energy Center, Rizal Drive corner 34th Street, Bonifacio Global City, Taguig City.

RAPHAEL P.M. LOTILLA
Secretary



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ANNEX A

CHECKLIST OF REQUIREMENTS

Documents	New Application	New Application without waiver	Renewal
Duly Notarized waiver or equivalent document from the franchised DU stating that the franchised DU waives the right to provide electricity services to the End-user **For End-users under PEZA, submit also a confirmation letter from PEZA on the intent to apply for Direct Connection*	✓		
Notarized Attestation from the End-user copy furnished and duly received by the DU *Please refer to the sample format of the attestation as attached in this Circular* **For End-users under PEZA, submit also a confirmation letter from PEZA on the intent to apply for Direct Connection*		✓*	✓**
Copy of Previous Agreement or Approval on Direct Connection from NPC, ERC, or DOE			✓
Corporate or business profile	✓	✓	✓
Legal documents: a. SEC Registration b. Proof of Ownership/Lease/any other relevant document proving the existence of the site/location of the DCC facility c. BIR Registration with Latest ITR d. Business Permits e. DTI Registration Or proof of ongoing application for the said permits	✓	✓	✓
Secretary's Certificate designating the authorized representative to transact with the DOE	✓	✓	✓
Brief description of the proposal	✓	✓	✓

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Documents	New Application	New Application without waiver	Renewal
Location map of the facility for which direct supply is sought, including the nearest TNP or DU substation	✓	✓	✓
Power demand, delivery voltage, timeline for connection requirement, load forecast, and other relevant technical information	✓	✓	✓
Certification from the TNP that the current demand including the five (5) years projected demand can be accommodated by existing transmission facilities and the same shall not adversely compromise the operation of the Grid based on the grid impact study. This shall include the Technical Assessment as provided by the TNP	✓	✓	✓
Application Letter addressed to the DOE Secretary Attention: Electric Power Industry Management Bureau Department of Energy Energy Center, Rizal Drive Bonifacio Global City, Taguig City, Metro Manila	✓	✓	✓
Other Supporting Documents	**As Needed**	✓***	**As Needed**

Note:

* Attestation that the DU did not respond to the waiver request after thirty (30) calendar days upon receipt of such request, or the DU wasn't able to provide the required services of the End-user within ninety (90) calendar days from the DU's certification of complete application for connection of the End-user or on a later date as agreed by both parties.

** Attestation that the DU has not revoked nor modified the previously issued waiver

*** Documents such as but not limited to letters of communication, agreements, chronology of events, and any other relevant documents supporting its claim

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ANNEX B

SAMPLE ATTESTATION

I, (NAME OF AFFIANT DULY APPROVED BY THE COMPANY) of legal age, Filipino, **single/married**, with office address located at (OFFICE ADDRESS OF AFFIANT) with position as (AFFIANT'S COMPANY POSITION) of (COMPANY NAME), a duly organized and existing under Philippine laws, hereby, depose and say that:

(Refer to Annex A when listing issues encountered and action taken during the application of Waiver)

1. **COMPANY NAME APPLIED FOR A WAIVER AT DU ON XX JAN 20XX DULY RECEIVED BY DU;**
2.
3.
4.
5.
6
7.
8.

(AT LEAST 30 CALENDAR DAYS PRIOR TO THE APPLICANT'S FILING AT THE EVOSS)

A copy of this attestation was received by the (DISTRIBUTION UTILITY) on _____ at (DU MAIN OFFICE).

IN WITNESS WHEREOF, I have hereunto affixed my signature this (XXth) day of (MONTH YEAR) at (ADDRESS).

JUAN A. DELA CRUZ
POSITION

SUBSCRIDED AND SWORN, to before me this (XXth day of (MONTH YEAR) at (ADDRESS). Affiant exhibited to me **his/her** (AFFIANT's VALID ID) issued at (VALID ID ISSUANCE LOCATION) and valid until (VALID ID EXPIRY DATE)

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

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ANNEX C

CERTIFICATION OF NO OBJECTION TO THE APPLICATION FOR DIRECT CONNECTION

I, (NAME OF DU AUTHORIZED REPRESENTATIVE), of legal age, having been duly authorized by the Board of (NAME OF THE DU) (hereinafter referred to as "the Distribution Utility") through the attached Board Resolution No. _____ dated _____, with office address at (DU OFFICE ADDRESS), after having been duly sworn in accordance with law, hereby depose and state the following:

1. **I am the duly authorized representative of _____, the concerned Distribution Utility on Direct Connection Application of** (COMPANY NAME OF END-USER) **;**
2. **The Distribution Utility has no objection to the request of** (COMPANY NAME OF END-USER) **(hereinafter referred to as "the End-user") in relation to the End-user's Direct Connection Application to the Department of Energy (DOE) for its Transmission Supply Agreement (TSA) with the National Grid Corporation of the Philippines (NGCP).**
3. **I further state that (provide additional information as needed)**
4.

Note that this certification is issued solely to facilitate the End-user's application for direct connection with the NGCP. This certification shall remain valid until the expiration of the End-user's Transmission Service Agreement (TSA).

In witness whereof, I have hereunto affixed my signature this _____ day of _____, _____, at _____, Philippines

DU Representative Name
Representative Position

Subscribed and sworn to before me this _____ day of _____ _____ at _____, Philippines, the above affiant exhibiting before me _____, valid until _____, as proof of his identity.

Doc No. _____;
Page No. _____;
Book No. _____;
Series of _____.

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