

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



17

RESOLUTION NO. _ SERIES OF 2017

**A RESOLUTION ADOPTING THE RULES GOVERNING THE
SETTING OF REGULATED SOLAR HOME SYSTEM (SHS)
TARIFF FOR THE PROVISION OF ELECTRICITY SERVICE
FOR RURAL ELECTRIFICATION BY ELECTRIC
COOPERATIVES (ECs)**

WHEREAS, Section 43 (t) of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), authorizes the Energy Regulatory Commission (ERC) to perform such regulatory functions as are appropriate and necessary in order to ensure the successful restructuring and modernization of the electric power industry;

WHEREAS, Section 2(a) of the Electric Power Industry Reform Act (R.A.9136) states that it is the declared policy of the State to ensure and accelerate the total electrification of the country;

WHEREAS, Rule 7 of the Implementing Rules and Regulations (IRR) of R.A. 9136 supports the “universal service obligation” of the Electric Cooperatives (ECs) within their franchise areas, including unviable areas with due consideration to sustainability of their economic viability;

WHEREAS, Section 2 of the National Electrification Administration Reform Act of 2013 (R.A. 10531) and its IRR reiterate the declared policy of the State to promote the sustainable development in the rural areas through rural electrification;

WHEREAS, Rule VI of the IRR of R.A. 10531 states that “*In pursuit of the total electrification of the country, the NEA and all ECs shall electrify all remaining un-electrified households. In case of missionary areas, the same shall be done in coordination of the*

NPC-SPUG which shall be responsible for the generation and transmission requirements, as necessary;”

WHEREAS, Solar Home System (SHS) can be used to provide least-cost and quality electric service to areas which are unviable for conventional distribution system;

WHEREAS, the SHS Mainstreaming Program in six (6) pilot ECs had demonstrated that the obligation to provide quality electricity service and accelerate electrification of remote rural areas and islets can be achieved while at the same time avoiding the degradation of performance of distribution system in terms of power quality, reliability and system loss as prescribed by the Philippine Distribution Code;

WHEREAS, in pursuance to the declared policy of the state, the Government, through the Department of Energy (DOE) issued Department Circular DC2014-07-0012 which aims to accelerate the household electrification in off-grid and isolated areas through electricity supply by regulated SHS.

WHEREAS, there is a need to establish a benchmark tariff for SHS electricity service and in recognition:

- a) that SHS Customers of ECs are paying a fee for electricity supply and should be treated as equivalent to grid-connected customers supplied on the same basis;
- b) of the effective monopoly held by ECs over electricity service through SHS; and,
- c) of the need to provide for legal certainty over the basis on which ECs may charge a fee for electricity service by SHS;

NOW, THEREFORE, the ERC, after thorough and due deliberation, hereby **RESOLVES** to **ADOPT** the ***“Rules Governing the Setting of Regulated Solar Home System (SHS) Tariff for the Provision of Electricity Service for Rural Electrification by Electric Cooperatives (ECs)”***.

This Resolution shall take effect after fifteen (15) days following the completion of its publication in a newspaper of general circulation in the country.

Let copies of this Resolution be furnished the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR), DOE, NEA, PHILRECA and all ECs.

Pasig City, 18 July 2017.

JOSE VICENTE B. SALAZAR*
Chairman and CEO



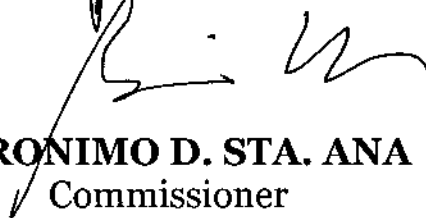
ALFREDO J. NON
Commissioner



GLORIA VICTORIA C. YAP-TARUC
Commissioner



JOSEFINA PATRICIA A. MAGPALE-ASARIT
Commissioner



GERONIMO D. STA. ANA
Commissioner

Ans
AMDB/AJMO/FED/ACA/ARG/GLS/APV

* The Chairman was placed on preventive suspension as per Order of the Office of the President (OP-DC Case No. 17-D-094) dated 2 May 2017 and received on 04 May 2017.

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

**RULES GOVERNING THE SETTING OF REGULATED
SOLAR HOME SYSTEM (SHS) TARIFF FOR THE
PROVISION OF ELECTRICITY SERVICE FOR RURAL
ELECTRIFICATION BY ELECTRIC COOPERATIVES (ECs)**

ARTICLE I
General Provisions

Section 1. Objectives. These Rules shall have the following objectives:

- (i) To put in place a fair, transparent and efficient process for charging consumers the cost of providing electricity service in remote rural and island communities;
- (ii) To ensure the financial and operational viability of ECs in providing electricity service to remote rural and island communities;
- (iii) To provide safeguards in the accounting and management of the amounts collected under these rules to protect the consumers.

Section 2. Scope. These Rules shall apply to all ECs selected and endorsed by the Department of Energy (DOE) to participate in the SHS Mainstreaming Program for rural electrification through the following methods:

- a) Government SHS Program.** Under the SHS Mainstreaming Program of the DOE, the same has provided capital subsidy to the participating EC for the initial cost of the SHS in accordance with its guidelines. For the initial phase of the program and subject to DOE guidelines, the DOE shall procure the SHS through competitive bidding, to be delivered and installed by the PV supplier to the SHS customers of the participating EC. The ownership of the SHS shall then be transferred to the EC.
- b) EC SHS Program.** For an EC that opts to continue or initiate, its own SHS Program, it will have the obligation to procure, install and maintain the SHS for the interested SHS Customer. The capital expenditures relative to this SHS Program shall be

subject to the approval of the ERC. Its implementation should be compliant to *ERC Resolution No. 07, Series of 2012 “A Resolution Adopting the Accounting and Cost Allocation Manual (ACAM) for Electric Cooperatives”*.

Section 3. Definition of Terms. The following terms shall have the meaning assigned to them:

- a) **“Department of Energy (DOE)”** refers to the government agency created pursuant to Republic Act No. 7638 whose expanded functions are provided under Republic Act No. 9136 or “EPIRA”.
- b) **“Energy Regulatory Commission (ERC)”** refers to the independent, quasi-judicial regulatory agency created under Section 38 of Republic Act No. 9136 or EPIRA.
- c) **“Electric Cooperative (EC)”** refers to a distribution utility organized pursuant to Presidential Decree No. 269, as amended, as defined in Section 4(r) of EPIRA and Rule 4(ee) of the EPIRA IRR .
- d) **“Household Electrification Development Plan (HEDP) 2013-2014”** refers to the program of the DOE in order to attain 90% household electrification by 2017 consistent with the policy of ensuring and accelerating the total electrification of the country as provided under Section 2(a) of Republic Act No. 9136 or EPIRA.
- e) **“Benchmark SHS Tariff”** refers to a regulated tariff approved by ERC for the supply of electricity by an EC through Eligible SHS and set the basis of the expected costs of an efficient utility rather than the actual costs of any individual EC.
- f) **“Collection Agent”** refers to the person or entity officially appointed by the EC to collect the monthly SHS Tariff as approved by the ERC, from the SHS customer and to remit the same to the EC.
- g) **“Eligible SHS”** refers to an SHS qualified to represent electrification of a household in accordance with the Department Circular No. DC2014-007-0012 promulgated by the DOE.
- h) **“SHS Mainstreaming Program”** refers to the program established by the DOE for SHS installations as part of the general obligation of ECs to achieve full electrification within their franchise areas.

- i) **“SHS Customer”** refers to a household provided with electricity service by an EC through a SHS.

ARTICLE II Program Implementation Procedure

Section 1. Selection of participating ECs and Eligible SHS customers. Participating ECs shall be limited to those selected and endorsed by the DOE to implement the SHS Mainstreaming Program, whether it be under the Government SHS Program or EC SHS program. Eligible SHS customers shall only include those customers in the operational area of the SHS Mainstreaming Program as identified by DOE and shall exclude those customers connected to the Distribution System of the EC.

Section 2. Responsibility of the EC. The SHS shall be owned by the EC and it will fund the cost of maintaining the SHS components as required. Whether under the Government SHS Program or EC SHS Program, the EC shall have the responsibility for the operation and maintenance of the SHS. In such case, the EC shall make the required visits to every SHS Customer to inspect the system and make minor repairs, as necessary. Visits for major repairs will be conducted as needed.

Section 3. Project Monitoring. The EC shall submit to DOE, its PV Electrification Operations Manual which prescribes the ECs rules and procedures in the implementation of the Program. This shall include, but not limited to the following:

- a. SHS customer’s qualification, application and membership; installation and maintenance of the SHS;
- b. Disconnection and reconnection policy; and
- c. Payment of tariff and other required fees and charges.

ARTICLE III Benchmark SHS Tariff

Section 1. Benchmark SHS Tariff. The Benchmark SHS Tariff shall allow for the recovery of the operating costs an EC incurs in providing electricity service to all SHS Customers, including the cost of maintaining the SHS components as necessary, and the associated direct and indirect overhead costs.

The costs of servicing SHS for more remote and difficult to reach areas shall be considered through an incremental cost adjustment that will apply to SHS Customers in such areas. This adjustment will be common across all ECs serving SHS Customers in the same defined zones.

Section 2. Cost Zones. For the calculation of the Benchmark Tariff, the ECs may consider its SHS Customers to be grouped into cost zones to capture the range of areas where the EC operates. The incremental cost adjustment will apply across all ECs based on the cost zones.

The DOE shall approve and monitor the ECs' classification of households into cost zones.

Section 3. Eligible SHS Customer opting for larger capacity. In case an Eligible SHS Customer seeks to be supplied with electricity through an SHS of a larger capacity than those provided under the SHS Mainstreaming Program, the EC may supply the needed SHS of larger capacity with an added premium to the Benchmark SHS Tariff to include the costs of procuring, installing and maintaining the components of such larger SHS system. The added premium shall be in accordance with the commercial arrangement between SHS Customer and the EC and shall not require the approval of the ERC, provided that the agreement signed between the parties shall be submitted to ERC and DOE. However, the intending EC shall still comply with Article VIII of these Rules prior to its implementation.

Section 4. SHS Customer Connection to the EC's Distribution System. The SHS Customer may be connected to the EC's distribution system once it becomes more economical to do so in the SHS sites. In such case, the EC shall instead allocate the SHS in those SHS Customer to another eligible SHS Customer.

ARTICLE IV

Methodology of Calculating the Benchmark SHS Tariff

Section 1. Costs to be Recovered. The Benchmark SHS Tariff shall include the Operating cost, Equipment cost and other related costs.

Operating cost comprises the base operating and service cost for SHS installed by the EC, an incremental cost adjustment representing the additional cost of servicing more remote areas.

Equipment cost comprises the capital cost of the SHS components which shall form part of the Equipment Fund (EF).

A collection fee to pay the authorized local agent/s of an EC who is responsible in collecting tariffs and remitting the same to the EC. The collection fee shall also cover the local agent's performance of other functions and responsibilities that an EC may require as it deems appropriate and necessary.

Section 2. Incremental Cost Adjustment. As the costs to service SHS Customers are expected to be higher in more remote and lower population density areas, given the much greater travelling time, the base operating costs shall be adjusted by multiplying such costs by an incremental cost adjustment (expressed as a percentage) for more remote areas. The cost adjustment shall be based on the additional time required and, the additional manpower needed to achieve the target frequency of visits.

Annex "A" shows the formula for the Fixed Monthly SHS tariff, including the incremental cost adjustment thereof.

ARTICLE V

Setting and Adjustment of the Benchmark SHS Tariff

Section 1. Benchmark SHS Tariff. The Benchmark SHS Tariff shall be subject to the approval of the Commission and shall include costs and be calculated in accordance with Article III and IV of these Rules.

The approved Benchmark SHS Tariff shall be the maximum or cap that the EC may charge to its SHS customers.

Section 2. SHS Tariff Adjustment. Any EC or group of ECs may file a petition to the ERC for the adjustment of the Benchmark SHS Tariff. The ERC may, likewise *motu proprio* initiate the proceeding for the adjustment of the SHS Tariff.

Section 3. Public Hearings/Consultations. The ERC shall conduct public hearings and/or consultations on the petition for the setting of the Benchmark SHS Tariff in accordance with its Rules of Practice and Procedures.

Section 4. Approval and Applicability. The Benchmark SHS Tariff shall be approved by the ERC in accordance with its rule-making and shall be applicable to all ECs participating in the SHS

Mainstreaming Program for rural electrification by the DOE and providing electricity service through SHS.

ARTICLE VI

Accounting of Revenues and Expenses

Section 1. Accounting. The revenues and expenses of the ECs for the SHS electricity services shall be booked in separate accounts consistent with the rules in the ECs' ACAM approved by the ERC.

Section 2. Equipment Fund. The EF shall be a restricted fund that shall be utilized solely for the maintenance and replacement of SHS components for Government SHS program or maintenance and recovery of equipment costs for EC SHS program.

ARTICLE VII

Adoption, Confirmation, Implementation and Reportorial Requirement

Section 1. Adoption. The EC must submit a manifestation to the ERC of its intent to implement SHS Program together with the submission of the following supporting documents for verification and confirmation:

- a. Certification from the DOE that the EC is authorized to implement the SHS Mainstreaming Program;¹
- b. EC Board Resolution for the adoption of SHS Program and ERC Approved Initial or Benchmark SHS Tariff;
- c. The EC PV Electrification Operations Manual;
- d. The SHS Tariff to be charged to the SHS Customers; and
- e. Joint Resolution of the interested SHS Customers willing to avail the SHS Program and to pay the SHS Tariff.”²

Section 2. Confirmation. Upon submission of the manifestation and all the documentary requirements under the immediately preceding Section, ERC shall verify and evaluate the merit and validity of such manifestation and documentation. Upon completion of the verification and evaluation, the ERC shall issue the corresponding order of approval as it may deem proper under the premises allowing the EC to implement the SHS Program.

¹ A sample template of the Board Resolution is attached as Annex "B."

² A sample template of the Joint Resolution is attached as Annex "C."

Section 3. Implementation. An EC shall commence the adoption and implementation of the SHS Program and the current Benchmark SHS Tariff upon official receipt of the ERC order approving its manifestation.

Section 4. Reportorial Requirements. An EC implementing the SHS Program shall submit on an annual basis to DOE and ERC the following documentary requirements for the preceding year, on or before 30th of May:

- a) Accounting of revenues and expenses of the ECs for the SHS electricity service;
- b) Accounting of the Equipment Maintenance Fund; and
- c) Changes in the PV Operations Manual, if any.

ARTICLE VIII Final Provisions

Section 1. Violation of these Rules. Violation of any provision of these Rules shall be subject to the imposition of fines and penalties in accordance with the Guidelines to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties promulgated by ERC, as may be amended, pursuant to Section 46 of Republic Act 9136.

Section 2. Exception. Where good causes appear, the ERC may allow exception from any provision of these Rules, if such exception is found to be in the public interest and is not contrary to any law, rules and regulations. Should there be any reason for an EC not to strictly comply with these Rules, the concerned EC shall submit, within thirty (30) days from the effectivity of these Rules, its alternative proposal which can only be allowed to be implemented after the ERC's approval.

Section 3. Repealing/Separability Clause. If any provision of these rules is declared invalid or unconstitutional by a court of competent jurisdiction, the provisions which are not affected thereby shall continue to be in full force and effect.

Section 4. Effectivity. These Rules shall take effect fifteen (15) days following its publication in a newspaper of general circulation.

Pasig City, Philippines 18 July 2017 .



JOSE VICENTE B. SALAZAR*
Chairman and CEO


ALFREDO J. NON
Commissioner


GLORIA VICTORIA C. YAP-TARUC
Commissioner


JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Commissioner


GERONIMO D. STA. ANA
Commissioner


ROS: AMDB/AJMO/FBD  LS: ACA/ARG/GLS/APV

* The Chairman was placed on preventive suspension as per Order of the Office of the President (OP-DC Case No. 17-D-094) dated 2 May 2017 and received on 04 May 2017.

Fixed Monthly SHS Tariff

The Fixed Monthly SHS Tariff shall be calculated according to the following equations:

$$SHSTariff = ((MBOC + MEMC)/CUST_{SHS}) + MACF$$

Where,

MBOC – Monthly Base Operating Costs

MEMC – Monthly Equipment Maintenance Costs

CUST_{SHS} – Total No. of SHS Customers

Base Operating Costs. The base operating costs component of the Benchmark SHS Tariff shall cover the costs of EC employees making scheduled and unscheduled visits to each SHS Customer. Such base operating costs shall include, annual salaries and benefits, accommodation and meal allowances for each visit, cost of the insurance of the SHS, the costs of vehicle access including fuel and wear and tear.

The Monthly Base Operating Costs shall be calculated according to the following equations:

$$MBOC = MSB + MPA + MTC + MIN$$

Where,

MBOC – Monthly Base Operating Costs

MSB – Monthly Salaries and Benefits of Personnel

MPA – Monthly Personnel Allowances for the scheduled and unscheduled visits to maintain the SHS

$$MPA = (\sum_{i=1}^n PDP_i * TNV_i) / 12$$

Where,

PDP_i – Per Diem of Personnel *i*

TNV_i – Total number of days of scheduled and unscheduled visits in a year of Personnel *i*

MTC – Monthly Transport Cost

$$MTC = [\sum_{i=1}^n (AIC_i^{UV} + AMC_i^{UV} + AFC_i^{UV})] / 12$$

Where,

AIC_i^{UV} – Annual Investment Cost of Utility Vehicle i

$$AIC_i^{UV} = \sum_{i=1}^n IC_i^{UV} / AF_i^{UV}$$

IC_i^{UV} – Investment Cost of Utility Vehicle i

AF_i^{UV} – Annuity Factor of Utility Vehicle i
 $= [(1 + r)^N - 1] / [r * (1 + r)^N]$

r – Interest rate per annum

N – Period of Annuity, Economic life of Utility Vehicle i

AMC_i^{UV} – Annual Maintenance Cost of Utility Vehicle i

AFC_i^{UV} – Annual Fuel Cost of Utility Vehicle i

$$AFC_i^{UV} = \sum_{i=1}^n FC_i * (DTS * 2 + DWS) * (NDSV + NDUV) * NS$$

Where,

FC_i – Fuel Cost of Utility Vehicle i , PHP/km.

DTS – Distance to Site from Office of the EC

DWS – Distance within Site travelled by the Utility Vehicle

$NDSV$ – No. of Days of Scheduled Visits per visit at the site

$NDUV$ – No. of Days of Unscheduled Visits per visit at the site

NS – Total No. of Sites

MIN – Monthly Insurance for the SHS

$$MIN = AIN / 12$$

Where,

AIN – Annual Insurance for the SHS

Incremental Cost Adjustment. As the costs to service SHS Customers are expected to be higher in more remote and lower population density areas, given the much greater travelling time, the base operating costs shall be adjusted by multiplying such costs by an incremental cost adjustment (expressed as a percentage) for more remote areas. The cost adjustment shall be based on the additional

time required and, the additional manpower needed to achieve the target frequency of visits.

Specific identifiable additional costs such as transport costs shall be allowed to be added to the base costs.

The Incremental Cost Adjustment for Personnel Allowances shall be calculated according to the following equations:

$$MPA_{Adj} = MPA * ICAF_{PA}$$

Where,

MPA_{Adj}^{UV} – Adjusted Monthly Personnel Allowance

$ICAF_{PA}$ – Incremental Cost Adjustment Factor for Personnel Allowance

Where,

$$ICAF_{PA} = \left[\frac{\text{No. of Days per Visit in Zone [B or C]}}{\text{No. of Days of Visit in Zone A}} \right]$$

The Incremental Cost Adjustment for Transportation Cost shall be calculated according to the following equations:

$$MTC_{Adj}^{UV} = [\sum_{i=1}^n (AIC_i^{UV} + AMC_i^{UV} + AFC_{Adj}^{UV})] / 12$$

Where,

MTC_{Adj}^{UV} – Adjusted Monthly Transportation Cost for Zone [B or C]

AFC_{Adj}^{UV} – Adjusted Annual Fuel Cost for Zone [B or C]

$$AFC_{Adj} = AFC * ICAF_{FC}$$

Where,

$ICAF_{FC}$ – Incremental Cost Adjustment Factor for Fuel Cost

$$ICAF_{FC} = \frac{\text{DistancetoSite, Zone [B or C]}}{\text{DistancetoSite, Zone A}}$$

Equipment Fund (EF). The EC shall be responsible for the maintenance and replacement of all major components of the SHS (module, mounting, controllers, batteries) and the supply of distilled

water, if any. Bulbs and other electricity-using appliances shall be the responsibility of the SHS Customer. For Government SHS Program, these shall cover the costs of maintenance and replacement for the SHS components or maintenance and recovery of the equipment cost for EC SHS Program. The EF shall be a separate ring-fenced fund used only for the purpose stated.

The EF charge shall be determined as the sum of the equipment costs of the individual components of the SHS, divided by the expected life of the equipment (in months).

The Monthly Equipment Fund shall be calculated according to the following equations:

$$MEMF = [\sum_i^n EC_i / ELC_i] / 12$$

Where,

MEF – Monthly Equipment Fund

EC_i – Equipment Cost of Component *i* of SHS

ELC_i – Economic Life of Component *i* of SHS

Agent Collection Fee. The collection agent shall receive a fixed monthly agent collection fee (MACF) to compensate for his own costs.

**EC BOARD RESOLUTION FOR IMPLEMENTATION OF THE
SOLAR HOME SYSTEM BY AN ELECTRIC COOPERATIVE**

Venue of Board Meeting:

Date:

Attendance (Showing those who were present and those who were absent):

BOARD RESOLUTION NO. ____ S. ____

**"RESOLUTION IMPLEMENTING THE SOLAR HOME SYSTEM
AND ADOPTING THE IMPLEMENTING RULES AND
GUIDELINES THEREOF"**

WHEREAS, the Department of Energy (DOE) issued Department Circular DC2014-07-0012 which aims to accelerate the household electrification in off-grid and isolated areas through electricity supply by regulated Solar Home System (SHS);

WHEREAS, the Energy Regulatory Commission (ERC) has approved the **"RULES GOVERNING THE SETTING OF REGULATED SOLAR HOME SYSTEM (SHS) TARIFF FOR THE PROVISION OF ELECTRICITY SERVICE FOR RURAL ELECTRIFICATION BY ELECTRIC COOPERATIVES (ECs)"** through **ERC Resolution No. _____, Series of 2016;**

WHEREAS, in line with the said DOE Circular and the ERC approved Rules, Management had created a Technical Committee (TC) to study the feasibility of implementing the SHS to provide electric service to sitios or areas within the electric cooperative's franchise area which are deemed unviable for conventional distribution system;

WHEREAS, the TC determined that SHS can be used to provide least-cost and quality electric service to areas which are unviable for conventional distribution system;

WHEREAS, after several sessions conducted to discuss the matter, the TC has formulated an Action Plan detailing the implementation of the SHS program within the electric cooperative's franchise area;

WHEREAS, the TC after its determination of the adequacy of the Action Plan presented it to the Board for further comments/suggestions and or approval;

WHEREAS, the Board reviewed and deliberated thoroughly the contents of the Action Plan and has verified that the same is not contrary to existing laws and rules pertaining to providing electric service, particularly whether or not the implementation is consistent with DC2014-07-0012 and its implementing guidelines and the ERC approved Rules;

WHEREAS, the ultimate goal of this endeavor is to fulfill the electric cooperative's mandate to provide electricity to the remaining un-electrified households consistent with Republic Act No. 10531;

NOW THEREFORE, on motion of _____, duly seconded by _____:

RESOLVED AS IT IS HEREBY RESOLVED, to approve the the implementation of SHS to areas which are unviable for conventional distribution system within the franchise area of the electric cooperative;

RESOLVED FURTHER, to furnish a copy of this Resolution to the Office of the Honorable Administrator, National Electrification Administration (NEA), the Office of the Honorable Chairman, Energy Regulatory Commission (ERC), and the Honorable Secretary of Energy for their information.

"APPROVED"

I hereby certify as to the correctness of this Resolution.

Board Secretary

President

JOINT RESOLUTION CONCERNING THE SOLAR HOME SYSTEM (SHS) ENTERED INTO BY RESIDENTS OF SITIO _____ AND BY _____ ELECTRIC COOPERATIVE, INC. WITHIN ITS FRANCHISE AREA

Venue:

Date:

WHEREAS, officers and representatives of _____ (*Name of EC*) Electric Cooperative explained to us, residents of Sitio _____, the program for providing electricity to the remaining un-electrified households which are deemed unviable for conventional distribution system using the Solar Home System (SHS). After hearing the explanation provided to us we understand the following:

1. The SHS shall be consistent with the Rules found in DOE Department Circular (DC) No. DC2014-07-0012 which aims to accelerate the household electrification in off-grid and isolated areas and the Rules promulgated by the Energy Regulatory Commission (ERC) in ERC Resolution No. _____, Series of 2016;

2. Joining the SHS program is voluntary upon every individual resident household who wishes to participate. Every participating resident household may choose to avail of the services under the 30 Watt Peak (Wp) or 50 Watt Peak (Wp) SHS;

3. Each resident household which wishes to participate shall pay a monthly fee for electricity service provided by the SHS;

4. Resident households which choose the services under the 30 Wp SHS shall pay a monthly fee in the amount of P_____.00 while those which availed of the services under the 50 Wp SHS shall pay a monthly amount of P_____.00;

5. Ownership of the SHS shall remain with _____ (*Name of EC*) Electric Cooperative and the fees we are obliged to pay monthly are from electricity services from the SHS;

6. Steps on how to properly maintain the SHS were likewise explained to us. We also understand that only certain electric appliances may be electrified by the SHS;

THEREFORE, we affirm that we were sufficiently informed and equipped to understand our corresponding rights and obligations when we voluntarily participate in the SHS Program including the duty to allow the EC or other authorized officers to regularly conduct follow-ups and reviews necessary for the improvement of SHS technology and monitoring of proper implementation of the SHS program;

THEREFORE, as residents of (name of Sitio) _____, we hereby voluntarily affix our names and signatures in this Joint Resolution to avail of electricity services under the SHS. Likewise, we affirm that we will comply with and follow the rules and regulations provided under DOE DC No. 2014-07-0012 and ERC Resolution No. _____, Series of 2016 both of which were explained thoroughly by officers and representatives of _____ (Name of EC) Electric Cooperative.

Signed together with officers and representatives of _____ (Name of EC) Electric Cooperative:

Name	Identification (Community Tax Certificate, Barangay Clearance, or Postal I.D., PHILHEALT H, etc.)	SHS Service (30 or 50 Wp)	Signature

Signature of Officers and Representatives of _____
(Name of EC) Electric Cooperative:

1. Name, Position in Electric Cooperative, and Signature
2. Name, Position in Electric Cooperative, and Signature

CERTIFICATION

The undersigned hereby certifies as to the truthfulness of the contents of this Joint Resolution.

The Board of Directors of _____ (Name of EC) Electric Cooperative hereby resolves to furnish a copy of this Joint Resolution to the Office of the Honorable Administrator, National Electrification Administration (NEA), the Office of the Honorable Chairman, Energy Regulatory Commission (ERC), and the Honorable Secretary of Energy for their information.

Secretary

President