



Republic of the Philippines

## DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. DC2020-06-0015 /

### PRESCRIBING THE GUIDELINES OF THE PHILIPPINE ENERGY LABELING PROGRAM (PELP) FOR COMPLIANCE OF IMPORTERS, MANUFACTURERS, DISTRIBUTORS AND DEALERS OF ELECTRICAL APPLIANCES AND OTHER ENERGY-CONSUMING PRODUCTS (ECP)

**WHEREAS**, Section 2 of Republic Act No. 7638 or the "Department of Energy (DOE) Act of 1992" states that it is the policy of the State to ensure a continuous, adequate, reliable, and economic supply of energy through, among others, judicious conservation, renewal, and efficient utilization of energy, to keep pace with the country's growth and economic development;

**WHEREAS**, Republic Act No. 11285 otherwise known as "An Act Institutionalizing Energy Efficiency and Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to Energy Efficiency and Conservation Projects" or the EEC Act, declares the policy direction of the government in terms of energy efficiency, conservation, sufficiency and sustainability in the country;

**WHEREAS**, the enactment of the EEC Act repealed and superseded Department Circular No. DC2016-04-0005 entitled "Declaring the Compliance of Importers, Manufacturers, Distributors and Dealers of Electrical Appliances and Other Energy Consuming Products with the Philippine Energy Standards and Labelling Program as a Policy of the Government";

**WHEREAS**, pursuant to the EEC Act, the DOE, in consultation with concerned government agencies and entities, local government units, commercial, industrial, and transport sectors and other relevant stakeholders, issued, adopted and promulgated Department Circular No. DC2019-11-0014 or the Energy Efficiency and Conservation Act – Implementing Rules and Regulations (EEC-IRR);

**WHEREAS**, Section 5 of EEC Act provides that the DOE shall be the lead agency in the implementation of this Act with the responsibility for the planning, formulation, development, implementation, enforcement, and monitoring of energy management policies and other related energy efficiency and conservation plans and programs;

**WHEREAS**, Rule XII. Energy Efficiency Rating and Labeling Requirements of DC No. 2019-11-0014, mandates the following:

- Section 58. Energy Efficiency Rating and Labeling System
- Section 59. Energy Efficiency Rating and Labeling for Products and Equipment
- Section 60. Energy Labeling for Transport Vehicles
- Section 61. Examination, Testing and Verification

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**WHEREAS**, Rule XVII of EEC-IRR enumerated the prohibited acts and enforcement methods, administrative and criminal liabilities;

**WHEREAS**, conservation and efficient utilization of energy are among the major strategies of the Government to realize energy self-sufficiency and reduce environmental impacts of energy generation and utilization as instituted in the Philippine Energy Plan (PEP) and the National Energy Efficiency and Conservation Program (NEECP); and

**WHEREAS**, the mandatory implementation of the PELP will lead to, among others, the empowerment of consumers in choosing energy efficient products at the point of sale, realization of energy savings and reduction of energy consumption / bills through the use of energy efficient products, elimination of energy inefficient products in the market and reduction of greenhouse gas emissions.

**NOW, THEREFORE**, in consideration of all the foregoing, the DOE hereby institutionalize the PELP and issues, adopts and promulgates the following:

**Section 1. Title.** This Department Circular shall be known as the "PELP Guidelines."

**Section 2. Scope and Application.** This Department Circular shall apply to all importers, manufacturers, distributors, dealers and retailers of all energy-consuming products, equipment and transport vehicles.

**Section 3. Definition of Terms.** For the purposes of this Department Circular, its Annexes and the PELP Implementing Guidelines, the following terms and definitions shall apply:

- a. Applicant refers to any natural or juridical person engaged in the manufacturing, importing, distributing, or dealing of ECPs who registers with the DOE in compliance with the requirements of this Department Circular and the PELP Implementing Guidelines
- b. Code of Practice on Energy Labeling of Products (COPE) refers to the particular product requirement (PPR) which is an integral part of the PELP Implementing Guidelines
- c. DOE Monitoring Team refers to a core group of personnel from EPRED, and/or other DOE-authorized representatives to assist the agency in the conduct of monitoring and verification activities as specified in the PELP Implementing Guidelines
- d. Energy Consuming Products (ECP) refer to products that utilize any form of energy (i.e. electricity, petroleum products, renewable energy, etc.) for specific use
- e. Energy Label refers to the prescribed tag/ sticker/ marker in this Department Circular that bears the DOE logo and essential energy performance ratings (i.e. efficiency, energy consumption, etc.) compliant to the PPR



- f. Enforcement refers to an activity or operation including on-site inspections where DOE detects violations or possible violations for the purpose of seeing to it that these comply with the provisions of this Department Circular
- g. Minimum Energy Performance for Products (MEPP) refers to the minimum energy performance for products set by the DOE for specific ECPs
- h. Monitoring refers to an activity where the DOE systematically observes, checks and keeps record of the compliance with the requirements of this Department Circular and the PELP Implementing Guidelines
- i. NEECD refers to the National Energy Efficiency and Conservation Database
- j. Particular Product Requirements (PPR) refers to component of the PELP Implementing Guidelines that provides the detailed technical requirements of specific household appliances and other energy-consuming devices it covers and particularly requiring the attachment of appropriate energy label
- k. Retailer refers to any natural or juridical person engaged in the business of habitually selling consumer products such as various ECPs directly to consumers
- l. Verification refers to the process of verifying the correctness of the energy ratings and other information on the energy label, and/or the process of establishing through tests, the veracity and accuracy of claims on energy efficiency

**Section 4. Implementing Units.** The following DOE units shall have functions in the implementation of this Department Circular:

- 4.1 EUMB or the Energy Utilization Management Bureau shall be responsible for the formulation, promulgation, enforcement, review and evaluation of the PELP policy and for implementing monitoring activities to ensure the industry player's compliance to the program. EUMB shall discharge the functions as follows:
  - 4.1.1 AFETD or the Alternative Fuels and Energy Technology Division shall be responsible for the formulation, development and updating of the Minimum Energy Performance for Products (MEPP), Code of Practice on Energy Labeling of Products (COPE), fuel efficiency testing guidelines, fuel economy performance and other related policies in support of the NEECP
  - 4.1.2 EPMPD or the Energy Efficiency and Conservation Program Management and Technology Promotion Division which shall be responsible for the promotion and the Information and Education Campaign (IEC) activities related to the PELP

4.1.3 EPRED or the Energy Efficiency and Conservation Performance Regulation and Enforcement Division which shall be responsible for the development of guidelines for on-site inspections, conduct of monitoring, verification and enforcement activities, processing of applications such as Company Registration, Product Registration, Energy Label Issuance in compliance with PELP

4.1.4 EPSMD or the Energy Efficiency and Conservation Public Sector Management Division shall be responsible for the promotion and IEC activities for the public sector

4.2 Energy Research Testing and Laboratory Services - Lighting and Appliance Testing Division (ERTLS-LATD) may assist in assessing the recognition of testing laboratories and may also be tapped to assist in the testing services for ECPs covered by PELP

4.3 Field Offices (FOs) referring to the DOE Luzon, Visayas and Mindanao Field Offices shall be responsible for market monitoring and enforcement to ensure industry players' compliance to the PELP in coordination with the local government units and submit compliance reports to EUMB

4.4 Information Technology Management Services (ITMS) shall provide support to EPRED in maintaining the NEECD and the online PELP services

4.5 Legal Services - General Legal Services Division (LS-GLSD) shall be responsible for the adjudication for violations of prohibited acts under the EEC Act, the EEC-IRR, this Department Circular, PELP Implementing Guidelines and any related issuances for non-compliant products, equipment and transport vehicles, in cooperation with EUMB and LATD

**Section 5. Covered Energy Consuming Products.** Under this Department Circular, the PELP will initially cover the following ECPs - room air conditioners (RACs), refrigeration units, television sets and lighting products: *Provided, That* additional ECPs shall be included within the coverage of the PELP upon the recommendation of the EUMB: *Provided further, That* such recommendation shall be made after public consultation and coordination with Department of Environment and Natural Resources (DENR) and Department of Transportation (DOTR) for fuel economy performance labeling requirements for transport.

**Section 6. Responsibilities of Applicants.** Applicants shall have, but not limited to, the following responsibilities:

6.1 Ensure that their products, for which an application of energy label has been approved, comply with the requirements of the PELP and its Guidelines.



- 6.2 Make available, and if required, submit reportorial documents to EPRED, as may be specified in the PELP Implementing Guidelines.
- 6.3 Pay the application fees in accordance with Annex A. Table of Fees and be responsible for all attendant costs such as verification testing (drawing / transport of samples and other related fees).
- 6.4 Have the labels printed on the ECPs or its packaging: *Provided, That* for products on sale, attachment of labels on the visible side of products themselves must be done on the point of sale.
- 6.5 Cooperate fully with the DOE Monitoring Team during the conduct of enforcement, monitoring and verification activities.

**Section 7. Responsibilities of Retailers.** Retailers shall have, but not limited to, the following responsibilities:

- 7.1 Ensure that the ECPs covered by the PELP and are for sale in stores have the energy labels attached to them on the location prescribed in this Department Circular and are visible to the buyers. As applicable, they shall also exhibit the energy labels in all their publications including the advertisement in newspapers, TVs or leaflets and in all online trading activities. At the minimum, the energy efficiency class of the product, as applicable, needs to be mentioned.
- 7.2 Cooperate fully with the DOE Monitoring Team during the conduct of enforcement, monitoring, and verification activities.

**Section 8. Prohibited Acts.** Pursuant to the EEC Act and the EEC-IRR, any person or entity found in violation of any of the following shall be subject to the appropriate criminal, civil and / or administrative sanctions as follows:

- 8.1 Failure to comply with energy labels;
- 8.2 Removing, defacing or altering any energy label on the ECPs before the product is sold to the first retail purchaser or leased to the first lessee;
- 8.3 Failing to provide accurate information or the provision of false or misleading information as required to be submitted under the EEC Act and the EEC-IRR;
- 8.4 Selling, leasing or importing ECPs that do not comply with MEPP;
- 8.5 Willfully refusing to submit to an on-site inspection;
- 8.6 Failing or willfully refusing to submit any of the reports required therein;
- 8.7 Failing to comply with issued orders of the DOE in the discharge of its enforcement powers;

- 8.8 Failure to register PELP-covered ECPs; and
- 8.9 Violating any provisions of the EEC Act, EEC-IRR, codes and guidelines.

**Section 9. Implementing Guidelines.** The DOE, through EUMB in consultation with the Implementing Units under Section 4 of this Department Circular, shall issue the PELP Implementing Guidelines on a per ECP basis, which will include, among others, administrative, application procedures, general, technical and PPR as well as the procedure for the monitoring, verification and enforcement of the PELP: *Provided, That* PELP Implementing Guidelines shall only be issued after public consultation: *Provided further, That* the effectivity and timelines of any issued PELP Implementing Guidelines will be mutually agreed upon by the DOE and the industry stakeholders.

PELP Implementing Guidelines shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of the PELP Guidelines shall also be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

**Section 10. Technical Working Groups (TWGs).** To facilitate the development of PPRs, TWGs shall be created as interim bodies of technical personnel. TWGs shall be convened as necessary to discuss technical matters that pertain to PPRs and issues on Special Cases such as:

- 10.1 New technology not yet covered in the current PELP
- 10.2 Expansion and updates on the PELP

The membership and composition of the TWG is determined according to specific technical issues such as products, test methods, technical requirements, MEPP, coverage, etc.

AFETD shall be the convener of the TWG for the development and formulation of the PPRs, development of technical requirements, conformity assessment procedures and recognition of testing laboratories.

Consistent with Section 5 of this Department Circular, the output of the TWG on the PELP Implementing Guidelines and the PPRs shall be for approval of the EUMB: *Provided, That* any expansion of covered ECPs will be endorsed by EUMB for approval of the DOE Secretary.

**Section 11. Code of Practice on Energy Labeling of Products.** Pursuant to Section 15 of the EEC Act, the Code of Practice on Energy Labeling of Products (COPE) providing for the calculation method for the energy efficiency rating shall accompany each PELP Implementing Guidelines issued pursuant to Section 9 of this Department Circular.

**Section 12. Compliance Requirements.** For the effective implementation, all applicants and retailers of PELP-covered ECPs shall ensure that energy labels, prescribed by the DOE, are displayed accordingly and shall provide information that shall assist consumers to make informed decisions on such products.



All applicants and retailers shall also submit annually to DOE, reckoning on the date of approval of the energy labels, information on the inventory of sales and technical files of compliant models for estimating the energy savings related to the implementation of these requirements. The DOE may issue template forms in the PELP Implementing Guidelines to facilitate compliance.

**Section 13. Enforcement, Monitoring and Verification.** The enforcement, monitoring and verification of compliance by applicants and retailers with the PELP requirements in the various regions of the country shall be conducted at least once a year.

**Section 14. Penalties.** Upon the determination that any person or entity has committed any of the prohibited acts in Section 8 of this Department Circular, the DOE may consider the following measures prior to the imposition of fines and penalties and also the appropriate administrative procedures, administrative liabilities and the criminal liabilities thereof:

- 14.1 Require an explanation supported by reports, returns and other documents to rebut the alleged commission of the prohibited act;
- 14.2 In cases where an explanation has been issued but the DOE finds a violation because of materially insufficient reports, false returns, non-submission of required documents, provide a recommendation to the said person or entity;
- 14.3 Disclose the name of the person or entity after it has received a recommendation and comply with such recommendation; and
- 14.4 Issue an order in cases where the said person or entity fails to follow or comply with the recommendation of the DOE. The failure on the part of the person or entity to comply with the order shall be a valid ground for the imposition of the administrative fines and penalties in accordance with Annex B. Schedule of Penalties and Fines.

**Section 15. Publication.** The DOE shall publish a biannually updated list of compliant products. Non-compliant products shall be published in the DOE website within 72 hours from the date of issuance of the order of non-compliance and biannual in newspapers of wide-circulation, including the name of the applicant or retailer with the brand name and model, to whom the violation applies to and who failed to remedy the citation received from the DOE.

An annual report on the status of the PELP implementation shall be published which shall include, among others, compliance rate by applicants and retailers with energy labelling requirements as well as improvement in the energy efficiency of products sold to consumers in the Philippines.

**Section 16. Information, Education and Communication Activities.** Pursuant to Section 85 of the EEC-IRR, the DOE shall develop and undertake a national awareness and advocacy program covering energy efficiency and conservation and

pursue partnerships with relevant stakeholders for the appreciation of this Department Circular.

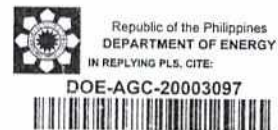
**Section 17. Repealing Clause.** The provisions of other circulars, orders, issuances, rules and regulations, which are inconsistent with the provisions of this Department Circular are hereby repealed, amended, modified or superseded accordingly.

**Section 18. Separability Clause.** If for any reason, any section or provision of this Department Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

**Section 19. Effectivity.** This Department Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of this Department Circular 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



**JUN 15 2020**



## ANNEX A Table of Fees

Name of Activity	Fee (in PhP)
Application for Company Registration	1,600.00
Application for Product Registration	300.00 per product model
Energy Label Issuance	300.00 per issuance
Application for Recognition of Testing Laboratories	15,000.00

## ANNEX B

### Schedule of Penalties and Fines

Prior to the imposition of the following penalties and fines, measures stated in Section 14 of the PELP Department Circular shall first be considered (explain, recommend, disclose, order):

Violation	Penalties and Fines (PhP)		
	10,000-200,000	200,000-500,000	500,000-1,000,000
Selling of non-registered product			1 <sup>st</sup> Offense
Removal, defacing, altering, absence of Correct Energy Label of registered product	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense
Failing to provide accurate information or the provision of false or misleading energy information as required			1 <sup>st</sup> Offense
Refusal to submit to on-site inspections	1 <sup>st</sup> Offense		2 <sup>nd</sup> Offense
Refusal to cooperate (drawing of product samples) during verification testing			1 <sup>st</sup> Offense
Non-submission of annual reportorial requirements		1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense

\*The imposition of the administrative fines and penalties stated above shall be on a "per product model" basis.