

IX. DEPARTMENT OF ENERGY
A. OFFICE OF THE SECRETARY

STRATEGIC OBJECTIVES

MANDATE

The Department of Energy is mandated by Republic Act No. 7638 (Department of Energy Act of 1992) 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.

VISION

Ensuring the best energy choices for a better quality of life

MISSION

In partnership with the stakeholders, the Department shall improve the quality of life of the Filipinos by formulating and implementing policies and programs to ensure sustainable, stable, secure, sufficient, accessible and reasonably priced energy. In pursuit of this mission, the DOE commits to render efficient service with utmost integrity and professionalism

KEY RESULT AREAS

1. Integrity of the environment and climate change adaptation and mitigation
2. Rapid, inclusive and sustained economic growth

SECTOR OUTCOME

1. Stable supply and reasonably priced energy
2. Energy access expanded
3. Good governance in the energy sector

ORGANIZATIONAL OUTCOME

1. Electric power industry reforms implemented
2. 90% households energized by 2017
3. Efficient natural gas and downstream oil industries
4. Supply and utilization of indigenous and renewable energy and alternative fuels increased
5. Energy efficiency and conservation strengthened

New Appropriations, by Program/Project

PROGRAM(S)	<u>Current Operating Expenditures</u>				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
100000000 General Administration and Support	P 105,945,000	P 143,768,000		P 1,200,000	P 250,913,000
200000000 Support to Operations	40,934,000	30,018,000		9,372,000	80,324,000
300000000 Operations	151,161,000	170,768,000		6,868,000	328,797,000
NFO 1: Energy Sector Policy Services	53,335,000	48,765,000		1,744,000	103,844,000
NFO 2: Promotion of Energy Sector Innovation	34,483,000	51,291,000		2,112,000	87,886,000
NFO 3: Energy Sector Regulatory Services	63,343,000	70,712,000		3,012,000	137,067,000
Total, Program(s)	298,040,000	344,554,000		17,440,000	660,034,000

PROJECT(S)

400000000	Locally-Funded Project(s)	59,332,000			59,332,000
500000000	Foreign-Assisted Project(s)	43,510,000	93,120,000	2,443,380,000	2,580,010,000
Total, Project(s)		102,842,000	93,120,000	2,443,380,000	2,639,342,000
TOTAL NEW APPROPRIATIONS		P 298,040,000	P 447,396,000	P 93,120,000	P 2,460,820,000

New Appropriations, by Central/Regional Allocation

REGION	Current Operating Expenditures				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
Regional Allocation	P 298,040,000	P 447,396,000	P 93,120,000	P 2,460,820,000	P 3,299,376,000
National Capital Region (NCR)	298,040,000	447,396,000	P 93,120,000	P 2,460,820,000	3,299,376,000
TOTAL NEW APPROPRIATIONS	P 298,040,000	P 447,396,000	P 93,120,000	P 2,460,820,000	P 3,299,376,000

Special Provision(s)

1. Proceeds from the Exploration, Development and Exploitation of Energy Resources. In addition to the amounts appropriated herein, Seven Hundred Fifty Seven Million Thirty Thousand Pesos (P757,030,000), sourced from the fees and revenues collected from the exploration, development and exploitation of energy resources shall be used to finance energy resource development and exploitation programs and projects in accordance with Section 8 of P.D. No. 910 and Section 21 of R.A. No. 7638.

Releases from said amount shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The DOE shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the programs and projects implemented using the said proceeds. The Secretary of Energy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DOE.

2. PAyapa at MASaganang PamayaNAn Program. The amount of Nineteen Million Three Hundred Thirty Two Thousand Pesos (P19,332,000) appropriated herein for the PAyapa at MASaganang PamayaNAn (PAMANA) Program shall be used exclusively to implement projects in conflict-affected areas already identified by the Office of the Presidential Adviser on the Peace Process (OPAPP). In no case shall said amount be used for any other purpose.

The DOE shall submit, either in printed form or by way of electronic document, to the OPAPP quarterly reports on the status of the implementation of the PAMANA Program, including the list of projects and beneficiaries and their corresponding amounts. The Secretary of Energy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of DOE.

Implementation of this provision shall be subject to guidelines to be jointly issued by the OPAPP, DOE and DBM.

3. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Institutionalize transparency in the energy sector
2. Facilitate establishment of strategic energy infrastructure
3. Institutionalize DOE-LGU and academic partnership
4. Launch the E-Trike Project
5. Formulate regional energy plans

MAJOR FINAL OUTPUTS (MFO) / PERFORMANCE INDICATORS**Targets****MFO 1: ENERGY SECTOR POLICY SERVICES**

No. of plans and policies updated, issued, monitored and disseminated	7
Average percent of stakeholders who rate the plans and policies as satisfactory or better	75%
Percent change in the number of applications for certificate of endorsement for investment in the energy sector	10%
Percent of policies updated over the last three years	50%

MFO 2: PROMOTION OF ENERGY SECTOR INNOVATION**Promotion**

No. of promotional events undertaken	51
Average percent of target audience surveyed that is aware of the promoted message	75%
Percent of scheduled events held within one month of original schedule	50%

Technical Assistance

No. of technical advisories provided to entities promoting energy development	21
Percent of entities that rate technical advice as satisfactory or better	75%
Percent of request for technical advice responded to within 15 days	85%

Energy Efficiency

No. of energy efficiency audits provided to government agencies	100
Percent of entities that rate energy audit as satisfactory or better	75%
Percent of energy audit reports with recommended findings on improving energy utilization	100%
Percent of requests for energy efficiency audits responded to within 1 week	75%
Percent of audit reports submitted to agencies within one week after conduct of audit	100%

MFO 3: ENERGY SECTOR REGULATORY SERVICES**Registration and Processing**

No. of applications for permits, service/operating contracts and accreditations processed	1,195
Percent of approved applications violating one or more of the authorization conditions in the last two years	25%
Percent of applications processed within 1 month from receipt of compliant applications	50%
Percent of energy service contracts/permits/certificates of registration awarded/issued in 9 months	50%

Supervision and Monitoring

No. of sites and facilities of downstream oil industry players monitored and inspected with reports issued	1,000
Percent of submitted reports which resulted in the issuance of notice of violations and penalties imposed	75%
Percent of sites and facilities inspected within two years	80%

Enforcement

No. of violations or complaints acted upon	20
No. of license, permits, etc., holders with 2 or more violations in the last 3 years as a percent of total number of violators over the last 3 years	80
Percent of detected violations that are resolved within 6 months	50%

Note: Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

**GENERAL SUMMARY
DEPARTMENT OF ENERGY**

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Office of the Secretary	P 298,040,000	P 447,396,000	P 93,120,000	P 2,460,820,000	P 3,299,376,000
Total New Appropriations, Department of Energy	P 298,040,000	P 447,396,000	P 93,120,000	P 2,460,820,000	P 3,299,376,000