

[DOE DEPARTMENT CIRCULAR NO. DC- 2005-03-002, March 11, 2005]

RULES AND REGULATIONS GOVERNING THE ESTABLISHMENT AND IMPLEMENTATION OF THE ALTERNATIVE FUELS FUND

WHEREAS, it is the policy of the Government to ensure continuous, adequate and economic supply of indigenous energy to increase self-reliance in the country's energy requirements;

WHEREAS, by virtue of Executive Order No. 66, the DOE is designated as the lead government agency in ensuring a unified and coordinated efforts towards establishing a successful and robust Philippine Natural Gas Industry;

WHEREAS, the Malampaya Gas-to-Power Project represents the beginning of the natural gas industry in the Philippines;

WHEREAS, it is the policy of the Department of Energy (DOE) to promote the utilization of alternative fuels and energy technologies for industrial, commercial and transport sectors;

WHEREAS, the Natural Gas Vehicle Program for Public Transport (NGVPPT) which was launched on October 16, 2002 unveils a portfolio of incentives to encourage active participation of the private sector in providing the necessary support, logistics and infrastructure to the said program;

WHEREAS, by virtue of Executive Order No. 290, the DOE is designated as the lead implementing government agency for the NGVPPT in coordination with different government agencies, institutions and the private sector;

WHEREAS, the development of infrastructure and market for compressed natural gas (CNG) and CNG-fueled public utility buses was supported by the private sector;

WHEREAS, a Memorandum of Agreement (MOA) was signed among CNG suppliers for the establishment of Compressed Natural Gas for Public Transport Pilot Project to study and evaluate the commercial viability, technical requirements and market demand of CNG and CNG-fueled public utility buses;

WHEREAS, a Supplement to the MOA was signed providing the CNG pump price and pricing structure for the Pilot Project and the Alternative Fuels Fund as a contribution for the implementation of the DOE's Alternative Fuels Program;

WHEREAS, Section 13 (General Provisions) of Republic Act 9336, otherwise known as the General Appropriations Act for fiscal year 2005 provides that departments, bureaus, offices or agencies may accept donations, contributions, grants, bequests or gifts in cash or in kind, from various sources, domestic or foreign for purposes relevant to their functions.