

Philippine clean energy tariffs to start next year

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A row of windmills on Bangui Bay in Ilocos Norte, northern Philippines is pictured on September 27, 2005. The first power projects under the Philippines' main incentive scheme for renewable energy should finally come online next year after a long regulatory struggle, an official said Wednesday.

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Solar-power plants of between three and five [megawatts](#) each are

expected to be the first to supply electricity under the plan, Mario Marasigan, the [energy department's renewable energy](#) bureau chief, told AFP.

"We hope to see the first new renewable installations... under the feed-in tariff system hopefully next year. The most immediate possibility is solar installation," Marasigan said in an interview.

The so called 'feed-in tariff' guarantees energy companies an extra amount of money above the market rate for every [kilowatt](#) of clean power they sell.

It was one of the main planks of a 2008 renewable energy law to spur investment and see half the country's energy come from [renewable sources](#) by 2030, compared with about 39 percent currently.

Despite the move, bigger projects, such as geothermal and wind, remain up three to five years away, he added.

Industry and green groups have complained that since the law was introduced, the tariff scheme has been relegated to a low priority and got lost in red tape while the government has focused on boosting fossil fuel power.

The government only approved the tariff rates in July last year, and the government has not yet approved any of the hundreds of projects that have submitted applications to participate.

"It (the feed-in tariff scheme) needs a stronger push from the government... there is too much red tape in renewable energy investments," Greenpeace Philippines' programme manager Beau Baconguis said.

However Marasigan defended the pace of the roll-out, saying that the [government](#) was introducing a completely new energy financing scheme and this took time to get right.

"A FIT (feed-in tariff) mechanism is relatively new to us... it took us a while to learn and really decipher what is the best means for us," he said.

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