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| **PROJECT SUMMARY** | |
| **Project Name/Title** | Solar Farm Project |
| **Project Proponent** | Tuguegarao City Government (TCG) |
| **Sector/ Industry Classification of Project** | Electricity, Gas, Steam and Air Conditioning Supply |
| **Location** | Namabbalan Sur, Tuguegarao City |
| **Total Land Area** | 30 hectares |
| **Title Type** | Forest Reserve |
| **Project Cost** | P1,300,000,000.00 |
| **Project Description** | Renewable energy has always been at the forefront of making the energy supply sustainable in the Philippines. According to the Department of Energy (DOE), it plays an important part in addressing climate change, energy security, and access to energy, as well as in the country’s strategy for its low-emissions development.  Cognizant of this and capitalizing on the fact that Tuguegarao City is one of the hottest places in the Philippines, backed up by a site suitability analysis indicating that the city is a feasible location for solar projects *(DOE Renewable Energy Atlas)*, the Tuguegarao City Government (TCG) pushes to embark on a solar farm project in Brgy. Namabbalan Sur, Tuguegarao City.  The proposed project, with an area of 30 hectares has a potential electricity generation of 30 megawatts. It is projected to energize 16,917 homes per year and contribute to carbon emission reduction of 25,354 metric tons of carbon dioxide equivalent (MTCO2e) per year *(annual carbon avoidance).*  Should there be a need to expand, there is still a 40-hectare available area adjacent to the initially identified location. |
| **Proposed Local Partner** | Cagayan Electric Cooperative, Inc. (CAGELCO)  National Grid Corporation of the Philippines (NGCP) |
| **DEMOGRAPHIC PROFILE OF THE CITY** | |
| **City** | Tuguegarao City |
| **Total Area** | 144.80 km2 *(LMB, DENR, 2013)* |
| **Total Population** | 166,334 *(PSA, 2020 Census)* |
| **Population Density** | 1,149 / km2 |
| **Labor Force (skilled & unskilled)** | Major Occupation Group:   1. Service and Sales Workers – 24.60% 2. Elementary Occupations – 14.46% 3. Plant and Machine Operators and Assemblers – 13.47% 4. Professionals – 11.33% 5. Managers – 9.46% 6. Clerical Support Workers – 8.89% 7. Craft and Related Trades Workers – 6.51% 8. Technicians and Associate Professionals – 5.87% 9. Skilled Agri Forestry and Fishery Workers – 5.03% 10. Armed Forces Occupations – 0.38% |
| **No. of College graduates *(with breakdown on specialization) (2022)*** | |  |  | | --- | --- | | **Cluster of Discipline** | **No. of Graduates** | | Agriculture Education | 33 | | Business and Management Education | 1,917 | | Criminal Justice Education | 831 | | Engineering and Architecture Education | 899 | | Health Professions Education | 431 | | Humanities Education | 65 | | Information Technology Education | 538 | | Maritime Education | 13 | | Science and Mathematics | 230 | | Social Sciences Education | 234 | | Teacher Education | 1,690 | | **TOTAL** | **6,881** | |
| **Income Classification** | 3rd City Income Class |
| **Airport/s Nearby / Accessibility to Airport/s** | Tuguegarao City Airport |
| **Seaport/s / Accessibility to Seaport/s** | Port Irene in Sta. Ana, Cagayan *(approximately 135km from Tuguegarao City)* |
| **Tourism Arrivals** | 143,256 *(2019)* |
| **Target Tourism Market** | Agricultural Tourism, Medical Tourism and Food Tourism |
| **Arable Land Area** | 5,075.03 hectares (total agricultural area) |
| **Major Crop/Livestock** | Major Crops: Rice and Corn  Major Livestock: Hogs, Carabao, Cow, Horse |
| **GENERAL COST OF DOING BUSINESS IN THE CITY** | |
| **Labor Rates (Minimum Wage Rate)** | Non-Agriculture – **P 420.00 per day**  Agriculture – **P 400.00 per day**  Retail/Service Establishments with less than 10 employees – **P 420.00 per day** |
| **Cost of Land and Cost of Rent** | Cost of Land *(commercial/industrial area):* P 40,000.00 / sq. meter  Cost of Rent *(central business district)*: P 525.00 / sq. meter |
| **Utility Rates (water, power, etc.)** | **Cost of Water:**   * RESIDENTIAL – min. charge of P 150.00 (0-10 cu.m), P16.90 per cu.m thereafter * COMMERCIAL - minimum charge of P 187.50 (0-10 cu.m), P 21.10 per cu.m thereafter * INDUSTRIAL - minimum charge of P 300.00 (0-10 cu.m), P 33.80 per cu.m thereafter   **Cost of Electricity:**   * P 18.216 per KwH (June 2023) |
| **Logistics / Freight cost (if applicable)** | Air freight: P 50.00 per kg  Land freight: P 20.00 per kg |
| **NATIONAL AND LOCAL INCENTIVES** | |
| **National Incentives** | Investors engaged in renewable energy have the option to avail of incentives under Corporate Recovery and Tax Incentives for Enterprises (CREATE Act) or incentives under the Renewable Energy Act. |
| **Local Incentives** | The Tuguegarao City Government thru its Local Investments and Incentives Code (LIIC) offers Fiscal and Non-Fiscal incentives to investors: |
|  | **FISCAL INCENTIVES**   |  |  |  | | --- | --- | --- | | **Amount of Investments** | **Business Tax** | **Real Property Tax and Transfer Tax** | | P 500 Million and above | Year 1 – 100%  Year 2 – 100%  Year 3 – 100%  Year 4 – 75%  Year 5 – 50% | Year 1 – 100% | | P 300 Million up to less than P 500 Million | Year 1 – 100%  Year 2 – 100%  Year 3 – 75%  Year 4 – 50%  Year 5 – 25% | Year 1 – 100% | | P 200 Million up to less than P 300 Million | Year 1 – 100%  Year 2 – 75%  Year 3 – 50%  Year 4 – 25%  Year 5 – 10% | Year 1 – 100% | |
|  | **NON-FISCAL INCENTIVES**   * Simplified Registration Procedure; * Assistance in resolving issues and concerns with NGAs, NGOs, and other Service Providers; * Support for industrial peace through reconciliation; * Assistance in securing electric power and water supply connection; * Coordination in the negotiation of special rates for utilities for industries with a certain minimum load; * Assistance in site selection and negotiation for right of way; * Networking with concerned National Government Agencies (NGAs) and other similar institutions for training of workers to enhance their skills |
| **TIMELINE** | |
| **Expected Start Date** | 2024 |
| **Expected Completion Date** | 2026 |
| **CONTACT DETAILS** | |
| **Contact of Project Proponent** | Mr. Maximilan B. Umoso  (+63) 917-872-1422  [umosomaxie@gmail.com](mailto:umosomaxie@gmail.com/) / cmotuguegaraocity@gmail.com  Ms. Jennifer D. Santos  (+63) 919-204-9331 |