

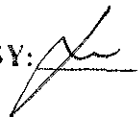
FIFTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'11 MAR 31 P5:30

SENATE  
Senate Bill No. 2777

RECEIVED BY: 

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Introduced by: *Senator Lacson*


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### EXPLANATORY NOTE

Local government units have often been plagued with the inability to garner and administer sufficient pecuniary interests to the detriment of programs earmarked to improve infrastructure, social conditions and, in general, protect the rights of their respective community members to live in a dignified manner. To further complicate an already alarming situation, our own national government's fiscal deterioration has necessitated a lower level of commitment to any of its local counterparts.

What this bill proposes is an alternative to the usual financial avenues normally available to local government units. This representation is exploring power producers as a possible fund source in increasing the economic opportunities of their host communities by requiring the former to make remittances directly to the latter's public coffers.

Passage of this bill is earnestly sought in order to empower local governments in determining their future and promote greater decentralization of needed services.

  
**PANFILO M. LACSON**  
Senator

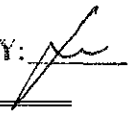
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**AN ACT  
REQUIRING ALL INDEPENDENT POWER PRODUCERS,  
GENERATION COMPANIES OR ENERGY RESOURCE DEVELOPERS  
TO REMIT THE AMOUNT THEY ARE REQUIRED TO SET ASIDE AS  
FINANCIAL BENEFIT DIRECTLY TO THE HOST COMMUNITY.**

*Be it enacted by the Senate and House of Representatives of the Philippines  
in Congress Assembled:*

**SECTION 1.** All independent power producers, generation companies or energy resource developers, whether publicly or privately owned, shall remit directly to the local government units or other host communities the benefits they are required to set aside as financial benefit to host communities pursuant to Section 66 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001"; Section 289 to 294, Chapter 11 of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991"; and Section 5(i) of Republic Act No. 7638, otherwise known as the "Department of Energy Act of 1992".

**SECTION 2.** The use of the aforesaid amounts remitted by independent power producers, generation companies or energy resource developers to the host communities concerned shall remain subject to the guidelines set by the Department of Energy.

**SECTION 3.** All laws, presidential decrees, executive orders, letters of instruction, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 4.** This Act shall take effect immediately upon its complete publication in at least two newspapers of general circulation.

*Approved,*