

SENATE 172
S.B. No. _____

'19 JUL -2 P1:11

Introduced by **SEN. WIN GATCHALIAN**

RECEIVED BY: _____



AN ACT
ESTABLISHING THE PHILIPPINE ENERGY RESEARCH AND POLICY
INSTITUTE, DEFINING ITS OBJECTIVES, POWERS, AND FUNCTIONS,
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

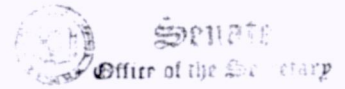
EXPLANATORY NOTE

The energy sector is naturally characterized by rapidly changing technologies which necessitates continuous study and research. The results of these enquiries are crucial in ensuring that energy policies are responsive to the evolving landscape of the energy sector and its effect on consumers. However, there is a scarcity of energy research and policy programs in the country. Most of the more recent energy programs have been time bound due to financial limitations of the private or foreign grantor or donor.

This bill seeks to bridge the research and policy gap in the energy sector by institutionalizing an independent and public sector funded Philippine Energy Research and Policy Institute. It recognizes the importance of rigorous multidisciplinary research in making sound energy policies and legislation. As such, the Institute is tasked to, among others: (1) undertake collaborative energy research and policy development among the academe and energy stakeholders as well as local and international experts; (2) provide timely strategic technical assistance to the government on energy issues needing policy direction and advise; (3) create and administer training programs, and provide fellowship grants to build the capacity of government agencies, energy stakeholders, and the academe; and (4) ensure that the results of energy research and policy development activities are utilized to improve the energy sector, the economy, and the lives of Filipino consumers. Given all the foregoing, the immediate passage of this measure is sought.


WIN GATCHALIAN

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



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

1 Section 1. *Title.* This Act shall be known as the "Philippine Energy Research
2 and Policy Institute Act".
3

4 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
5 ensure energy security, equity, and sustainability. Towards this end, it is also the
6 policy of the State to enhance knowledge in recent developments and scientific
7 breakthroughs in the field of energy; identify key policy areas, issues, and challenges
8 in the country's energy sector; and formulate multidisciplinary research-based
9 policies and strategies for the cost-effective use of energy resources towards
10 environmentally-sound energy development.
11

12 Sec. 3. *Establishment of the Philippine Energy Research and Policy Institute.* -
13 Pursuant to the national policy of enhancing the country's capability for energy
14 research and policy development, there is hereby established in the University of the
15 Philippines (UP), a Philippine Energy Research and Policy Institute, hereinafter
16 referred to as the Institute. The Institute shall be under the Office of the UP
17 President.
18

1 Sec. 4. *Objectives of the Institute.* – The objectives of the Institute are:

- 2 a) To conduct pertinent policy research on energy issues and ensure the
3 coordination and timely dissemination of results to key government agencies
4 to guide policy and decision-making processes;
- 5 b) To provide timely technical assistance to the government on energy issues
6 needing policy direction and advice;
- 7 c) To contribute strategic assistance to the government on energy policy issues
8 and other related matters;
- 9 d) To promote collaborative and multidisciplinary energy research and policy
10 development among the academe, and public and private stakeholders;
- 11 e) To establish mechanisms for the dissemination and utilization of research and
12 policy development outputs;
- 13 f) To create and administer training programs and provide fellowship grants
14 intended to build the capacity of government agencies, public and private
15 energy stakeholders, and the academe including graduate and post-graduate
16 students; and
- 17 g) To serve as a medium in bringing together local and international experts in
18 the field of energy through local and international linkages.

19 Sec. 5. *Functions and Powers of the Institute.* – The Institute’s functions and
20 powers shall include:

- 21 a) Formulating and conducting research and development on energy, public
22 policy issues in energy markets, and other pressing issues and problems, all
23 backed by rigorous empirical evidence;
- 24 b) Establishing research and policy development programs and capacity-building
25 trainings on energy;
- 26 c) Providing common research support facilities while maximizing the utilization
27 of its expert support staff;
- 28 d) Enhancing the masters and doctoral pool of researchers and faculty in the
29 field of energy;
- 30 e) Establishing local and foreign linkages in energy research and policy
31 development;

- 1 f) Serving as the repository of all energy-related researches and studies to be
2 generated by the Institute as well as academic, public, and private groups,
3 organizations, and institutions;
- 4 g) Proposing and allocating its annual budgetary resources while optimizing
5 resource generation and utilization;
- 6 h) Investing its funds in such undertaking as it may deem wise or necessary to
7 carry out its objectives, with due consideration to existing guidelines on
8 investing government funds in coordination with the Bureau of Treasury; and
- 9 i) Receiving and managing grants, aid, donations or any kind of assistance for
10 achieving its objectives, in accordance with the rules and regulations of UP.

11 The UP President, upon recommendation of the Advisory Council, may give
12 additional powers and functions to the Institute: *Provided*, That it shall be in
13 accordance with the objectives of the Institute as stated in this Act.

14

15 *Sec. 6. Organizational Structure.* – The Executive Director shall head the
16 Institute and shall report to the UP President. The Institute’s research and policy
17 direction and priorities shall be determined by an Advisory Council and implemented
18 by the Executive Director.

19

20 *Sec. 7. The Executive Director.* – The Executive Director shall be a recognized
21 expert in energy research and policy development with at least three (3) years
22 experience in energy, and shall have a strong organizational management
23 background. The UP President shall appoint the Executive Director upon the
24 recommendation of the Advisory Council sixty (60) days after the promulgation of
25 this Act: *Provided*, That such Executive Director shall serve for a term of five (5)
26 years which can be renewed for another five (5) years.

27

28 *Sec. 8. Functions and Powers of the Executive Director.* – The Executive
29 Director of the Institute shall:

- 30 a) Implement and enforce research and policy direction and priorities
31 determined by the Advisory Council;

- 1 b) Exercise administrative and supervisory functions over the planning,
2 implementation, and evaluation of the policies, programs, and projects of the
3 Institute;
- 4 c) Recommend to the UP President, upon endorsement of the Advisory Council,
5 the organizational structure of the Institute including the position classification
6 and compensation employees subject to Section 11 of this Act;
- 7 d) Recommend to the UP President, upon endorsement of the Advisory Council,
8 the appointment of research fellows, officers, and employees of the Institute;
- 9 e) Recommend to the UP President, upon endorsement of the Advisory Council,
10 the overall budget of the Institute;
- 11 f) Submit to the UP President, upon endorsement of the Advisory Council,
12 regular reports on the Institute;
- 13 g) Frequently apprise the Advisory Council on the programs and projects of the
14 Institute;
- 15 h) Within the limits of the authority delegated to him by the UP President,
16 execute contracts, incur obligations, acquire and dispose of assets, and
17 deliver documents on behalf of the Institute; and
- 18 i) Exercise such other powers and functions and perform such other duties as
19 may be authorized or assigned by the UP President, upon recommendation of
20 the Advisory Council and in accordance with the objectives of this Act.

21

22 *Sec. 9. Advisory Council of the Institute.* – There shall be an Advisory Council
23 of the Institute to be composed of six (6) representatives with at least one (1)
24 representative each from the fields of engineering, law, science, statistics,
25 economics, and public health, either from the academe or the private sector. The
26 representatives from the academe or the private sector shall be chosen by the UP
27 President.

28

29 *Sec. 10. Functions and Powers of the Advisory Council.* – The Advisory Council
30 shall:

- 1 a) Determine the general direction and priorities of the Institute in accordance
2 with this Act;
- 3 b) Determine research and policy areas for study and investigation by the
4 Institute based on its evaluation of the energy policy landscape including the
5 needs and demands of the country and the people;
- 6 c) Provide advice to the Institute on any matter relating to the development of a
7 research or policy area and the administration of research and policy
8 programs;
- 9 d) Endorse to the UP President the organizational structure of the Institute
10 including position classification and compensation of employees subject to
11 Section 11 of this Act, in coordination with the Department of Budget and
12 Management;
- 13 e) Endorse to the UP President the appointment of research fellows, officers,
14 and employees of the Institute;
- 15 f) Endorse to the UP President the Institute's overall budget;
- 16 g) Generate resources and obtain logistical and financial support for the
17 programs and component units of the Institute: *Provided*, That in so doing,
18 no conflict-of-interest exists with the objectives of this Act and the functions
19 of the Institute;
- 20 h) Monitor and review the programs and projects undertaken by the Executive
21 Director to implement and enforce research and policy direction and priorities;
22 and
- 23 i) Recommend to the UP President additional powers, functions, and duties of
24 the Executive Director in accordance with the objectives of this Act.

25

26 Sec. 11. *Appointment of Faculty and Staff.* – The human resource
27 complement of the Institute shall be organized and set-up by the Executive Director
28 subject to Sections 8 (c) and 10 (d) of this Act and, the existing rules and
29 regulations of UP.

30

1 Sec. 12. *Public Access.* – The public and other energy institutions shall have
2 access to the research findings, facilities, and other resources of the Institute, as
3 provided in the implementing rules and regulations of this Act: *Provided*, it is in
4 accordance with Section 13 of this Act.

5
6 Sec. 13. *Confidentiality.* – The Institute shall not disclose any proprietary or
7 confidential data and other resources unless prior consent of the source or owner of
8 such data and resources has been obtained by the requesting party.

9
10 Sec. 14. *Endowment Fund.* – An Endowment Fund is hereby established for
11 the support of the Institute, including the purchase of research equipment and
12 facilities, compensation and honoraria to researchers, whether in government service
13 or otherwise, and such other necessary expenses to carry out the purpose of this
14 Act.

15 The Institute is authorized to accept into its Endowment Fund any
16 contributions, donations, bequests, grants, and loans from domestic or foreign
17 sources, government appropriations and other incomes accruing from the operations
18 of the Institute, for purposes of executing its mandate and functions: *Provided*, That
19 in so doing, no conflict-of-interest exists with the objectives of this Act and the
20 functions of the Institute.

21 For the organizational and operational requirements of the Institute, there is
22 hereby appropriated out of the General Appropriations Act, the sum of Two Hundred
23 Million Pesos (P200, 000,000.00) for the initial operating fund of the Institute.
24 Thereafter, an annual amount of Two Hundred Million Pesos (P200,000,000.00) shall
25 be appropriated from the General Appropriations Act to support the research, policy
26 development, and training programs of the Institute. This amount shall be assessed
27 annually and increased, if necessary, based on the annual financial plan approved by
28 the UP President and submitted to the DBM.

29 In order to support the Institute, the additional amount of one percent (1%)
30 of each energy related fee and charge imposed, but in no case lower than Ten Pesos
31 (P10.00), by the Department of Energy, Energy Regulatory Commission, and
32 National Electrification Administration shall be collected by the respective agencies

1 and units for each application, registration, renewal, endorsement, processing and
2 other related services for which the collection of fees and charges is allowed by law
3 and rules and regulations. Such additional amount shall be part of a special fund to
4 be known as the "Energy Research Fund", and shall, upon collection, be immediately
5 remitted to the UP and deposited in a separate account in any authorized
6 government depository bank in the name of the national treasurer as *ex-officio*
7 treasurer of the UP.

8
9 Sec. 15. *Tax Exemptions.* – The Institute shall be entitled to all the tax
10 exemptions enumerated under Section 25 of Republic Act No. 9500, otherwise
11 known as the University of the Philippines Charter of 2008.

12
13 Sec. 16. *Implementing Rules and Regulations.* – Within sixty (60) days from
14 the effectivity of this Act, the Institute, in consultation with its Advisory Council and
15 subject to the approval of the Board of Regents, shall promulgate the necessary
16 implementing rules and regulations of this Act.

17
18 Sec. 17. *Separability Clause.* – If any portion or provision of this Act is
19 declared unconstitutional, the remainder of this Act or any provisions not affected
20 thereby shall remain in force and effect.

21
22 Sec. 18. *Repealing Clause.* – Any law, presidential decree or issuance,
23 executive order, letter of instruction, rule or regulation inconsistent with the
24 provisions of this Act is hereby repealed or modified accordingly.

25
26 Sec. 19. *Effectivity.* – This Act shall take effect fifteen (15) days following its
27 complete publication in the Official Gazette or a newspaper of general circulation.

Approved,