

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



'22 SEP 19 P3:35

SENATE
S.B. No. 1327

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Introduced by **SENATOR IMEE R. MARCOS**

AN ACT
MANDATING THE PROPER INSTALLATION AND MAINTENANCE
OF OVERHEAD ELECTRIC DISTRIBUTION, COMMUNICATION
LINES, AND RELATED STRUCTURES

EXPLANATORY NOTE

Section 24, Article II of the 1987 Constitution provides that, "*The State recognizes the vital role of communication and information in nation-building.*"

The pandemic, which started in 2020, brought the whole world to a new normal. Two basic utilities are now crucial in surviving the new normal: electricity and internet. Governments must ensure that access to these basic rights are readily available and are efficiently maintained.

According to Fitch Solutions, power demand is expected to rebound strongly to pre-pandemic trends, which will necessitate stronger capacity growth and by extension, distribution growth. As of June 2021, the household electrification rate of the Philippines stood at 94.94%, which is equivalent to 24.57 million households with access to power. Experts expect annual power demand to grow on an average of 4.6% for the period 2020 to 2029. As such, the government must ensure continuous, reliable, and more efficient service from power distribution companies to deliver the basic energy needs of every Filipino household.

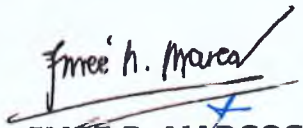
Another sector whose usage has been affected by the pandemic is the telecommunications industry. The new normal pushes everyone to connect digitally because of COVID restrictions and persisting health concerns. As of February 2022, there are 79.66 million internet users in the Philippines with 72.7% Internet user penetration rate according to Statista.com and a median download speed of 18.79

megabits per second (Mbps) for mobile internet and 49.10 Mbps for fixed broadband according to Ookla Speedtest.

Prolonged lockdowns strained the country's limited broadband infrastructure in 2020. The country had its average fixed broadband speed down by 8.4% from 25.91 Megabits per second (Mbps) in January 2020 to 23.74 Mbps in June 2020 which is second to the last in the ASEAN Region. The same has dramatically increased, however, following former President Rodrigo Roa Duterte's move to streamline the issuance of local government permits which generated a significant increase in permits granted to telcos from July 2020 to February 2022. The country's average fixed broadband speed registered at 52.16 Mbps in March 2022, as reported in the Ookla Speedtest Global Index. To maintain this development, the government needs to ensure that telcos are able to sustain fast connectivity in the country despite high demand periods such as the pandemic.

This bill seeks to uphold the general welfare of clients by improving the reliability of transmission lines for power and telecommunications by ensuring the sound maintenance of utility poles, cables, equipment, and accessories. It mandates all electric and telecommunication companies to conduct periodic inspections of their respective utility lines. In addition, local government units are tasked with monitoring the performance of the distribution companies within their jurisdiction.

For the foregoing reasons, the passage of this bill is earnestly sought.


IMEE R. MARCOS

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

1 **SECTION 1.** *Short Title.* – This Act shall be known as the “*Proper Installation*
2 *and Maintenance of Overhead Electric Distribution and Communication Lines Act*”.

3
4 **SEC. 2.** *Declaration of Policy.* – It is hereby declared the policy of the State to
5 ensure the safety and protection of life and property of every person in the Philippines
6 and uphold the general welfare of the public.

7
8 It is also the responsibility of the government to promote good housekeeping
9 and implement sound maintenance of utility poles, lines, cables, equipment and
10 accessories in the conduct and delivery of services by electric distribution, cable, and
11 telecommunications companies to their clients.

12
13 **SEC. 3.** *Responsibility of Electric Distribution and Telecommunications*
14 *Companies.* – It shall be the responsibility of the electric distribution and
15 telecommunication companies to prepare contingencies for calamities or any
16 unforeseen event that may cause harm, expose a person to peril and cause damage to
17 property, by undertaking necessary precautionary measures to prevent the same.
18 Toward this end, all electric distribution and telecommunications companies shall
19 perform the following over all of its overhead electric distribution and communication
20 lines:

- 1
2 a) Conduct periodic inspection in compliance with the standard clearance under the
3 Philippine Electrical Code Part 2 (PEC 2) and as provided for in this Act or its
4 implementing rules and regulations;
5 b) Fix and bundle-up dangling overhead secondary and communication lines;
6 c) Remove unused overhead electric distribution and communication lines;
7 d) Replace all unused, misplaced, damaged and rotten utility poles;
8 e) Strictly adhere to and ensure compliance with the standards and regulations
9 provided under the Philippine Electrical Code, as approved and adopted by the
10 Board of Electrical Engineering of the Professional Regulation Commission pursuant
11 to the mandate vested upon the Board under Republic Act No. 7920, otherwise
12 known as the "New Electrical Engineering Law");
13 f) Submit an annual report to the concerned *Sangguniang Bayan* or *Panlungsod* of the
14 status of the installation and maintenance of overhead electric distribution,
15 communication lines and related structures in the respective locality and their
16 compliance to the provisions of this Act. Provided, that in case of a devastating
17 calamity, a report should also be submitted within a period of sixty (60) days from
18 the date of the said calamity; and
19 g) Shoulder any and all costs necessary to efficiently carry-out the aforementioned
20 acts.
21

22 **SEC. 4. *Joint Use of Structures.*** – The joint use of structures shall be considered
23 for circuits along highways, roads, streets, and alleys. The choice between joint use of
24 structures and separate lines shall be determined through consideration of all the
25 factors involved, including the character of circuits, the total number and weight of
26 conductors, tree conditions, number and location of branches and service drops,
27 structure conflicts, and availability of right-of-way and other factors as may be provided
28 in the rules and regulations to be promulgated to implement. Where such joint use is
29 mutually agreed upon, it shall be subject to the appropriate grade of construction
30 specified in Article 3.5 of PEC 2.
31

32 **SEC. 5. *Responsibility of the Local Government Units (LGUs).*** – All cities and
33 municipalities shall, through their respective city or municipal engineers or the
34 Department of Public Works and Highways (DPWH) in the case of national roads,
35 ensure that every electric distribution and telecommunication company, within their
36 territorial jurisdiction, comply with the provisions of Section 3 of this Act. The
37 *Sangguniang Panlungsod* or *Sangguniang Bayan* concerned shall, pursuant to Republic
38 Act No. 7160, as amended, otherwise known as the Local Government Code, issue an
39 ordinance governing the overhead Installation of electric distribution lines, cables and
40 utility poles, in accordance with the Electrical Code, National Building Code and RA No.

1 11361 or the Anti-Obstruction of Power Lines Act and in consultation with the agencies
2 concerned.

3
4 The city or municipal engineer, or the authorized representative of such city or
5 municipality shall, in addition to the authority to withhold the grant or renewal of
6 licenses or business permits, file a complaint against the electric distribution or
7 telecommunications company, which fails to conduct periodic inspection of its
8 respective electric distribution or communication line installations or fix or bundle up
9 its lines or remove all old and unused lines in violation of the regulations and standards
10 provided for under the PEC 2 before the court of competent jurisdiction. Any person
11 may file an administrative complaint against the city or municipal engineer who fails to
12 monitor the compliance of electric distribution, and telecommunications companies with
13 the standards and regulations provided under the PEC 2.

14
15 Once it has been notified of a possible violation, the city or municipality, or the
16 DPWH in the case of national roads, shall send notice to the erring company to allow
17 it to rectify its error within a reasonable time or to explain Its reasons for failure to
18 comply with the standards set forth in Republic Act No. 7920 and Its implementing
19 rules and regulations. Upon failure to rectify its error or continuous non-compliance
20 without justifiable cause, the city or municipal engineer, or the DPWH in the case of
21 national roads, may conduct an investigation, upon due notice to the erring company.
22 A finding of fault by the authorized person conducting the investigation may result in
23 the withholding of the renewal of the corresponding business licenses or permits for
24 erring electric distribution and telecommunications companies.

25
26 The public utility companies shall notify the LGU concerned of violations on the
27 issuance of building permits for non-compliance with the rules and the standards on
28 setbacks and clearances under the Philippine Electrical Code, the National Building
29 Code, and the "Anti-Obstruction of Power Lines Act" or Republic Act No. 11361, as
30 provided in this Act.

31
32 **SEC. 6.** *Issuance of a Certificate of Public Safety Compliance (CPSC).* – In
33 addition to the Certificate of Public Convenience and Necessity (CPCN) issued by the
34 Energy Regulatory Commission (ERC), which stipulates that the operation of the
35 business of an electric distribution, cable, or telecommunication company will promote
36 public interest in a proper and suitable manner, a Certificate of Public Safety
37 Compliance (CPSC) shall also be issued by the LGU, in accordance with the Philippine
38 Electrical Code, to an electric distribution, cable, or telecommunication company to

1 ensure the public safety upon its operation in a particular area. Application for a CPSC
2 shall be acted upon promptly pursuant to Section 11 of Republic Act No. 11032,
3 otherwise known as the "*Ease of Doing Business and Efficient Government Service*
4 *Delivery Act of 2018*", on the streamlined procedures for the issuance of local business
5 licenses, clearances, permits, certifications or authorizations: *Provided*, That the failure
6 of an LGU to act upon an application for a CPSC duly filed with complete supporting
7 documents within the prescribed timeframe shall be deemed an approval of such
8 application. The CPSC shall be valid for a period of five (5) years. A valid and existing
9 CPSC shall be a pre-requisite for the renewal of operations of an electric distribution,
10 cable, or telecommunication company.

11
12 No electric distribution, cable, or telecommunication company shall be allowed
13 to operate in a particular area without a valid CPSC upon inspection by the city or
14 municipal engineer.

15
16 **SEC. 7. *Installation of Overhead Electric Distribution Lines/ Cables and Utility***
17 ***Poles and Standard Requirements.*** – All installation of overhead electric distribution
18 lines, cables, and utility poles shall be inspected by the city or municipal engineer, or
19 the DPWH, whichever is applicable. Installation of overhead electric distribution lines,
20 cables and utility poles shall conform to the PEC 2, Philippine Distribution Code (PDC),
21 Distribution Services and Open Access Rules (DSOAR), National Building Code (NBC),
22 and other applicable existing local and international standards, of which compliance
23 shall be ensured by the Inter-Agency Committee under Section 9 of this Act. The
24 specific location shall be inspected by the engineering officials prior to, during and after
25 the installation.

26
27 In cases where the ideal location of a pole installation is unavailable, the
28 concerned city or municipal government, or the DPWH, shall assist the pole owner in
29 identifying and securing the right-of-way (ROW) for alternative pole locations, at no
30 cost to the government.

31
32 Pending the promulgation of standards by the Inter-Agency Committee under
33 Section 9 of this Act, or a uniform set of requirements by the barangay, city, or
34 municipal government unit on the overhead installation and maintenance of electric
35 distribution lines, cables, utility poles, equipment and accessories, the city or municipal
36 government shall assist the owner of a facility on issues concerning the same.

1 **SEC. 8. *Creation of a Monitoring and Service Team.*** – A Monitoring and Service
2 Team, led by the city or municipal engineer and composed of representatives from the
3 pole owners and the electric distribution, cable, and telecommunications companies,
4 shall. In coordination with the barangay, city, or municipal-engineer or the DPWH,
5 whichever is applicable, be created to perform the immediate and necessary clean-up
6 operation and maintenance of overhead electric distribution lines, cables, utility poles,
7 equipment and accessories in compliance with the provisions of this Act. The clean-up
8 operation shall commence within six (6) months from the promulgation of the
9 Implementing Rules and Regulations (IRR) pursuant to Section 13 of this Act.

10
11 **SEC. 9. *Role of the Monitoring and Service Team.*** – The Monitoring and Service
12 Teams of electric distribution, cable, and telecommunications companies shall conduct
13 a semi-annual inspection to check compliance to Section 3 of this Act and maintenance
14 of their electric distribution lines, cables, utility poles, equipment and accessories
15 installed in a particular area for the efficient delivery of their services. Maintenance
16 shall include proper bundling, casing and replacement of damaged electric distribution
17 lines and cables, and repair and replacement of utility poles, equipment and
18 accessories, and retirement of unused electric distribution lines, cables and utility
19 poles.

20
21 Electric distribution, cable, and telecommunications companies shall be given a
22 reasonable period of time to relocate and realign displaced lines, cables, utility poles,
23 equipment and accessories as a result of a public infrastructure work. The
24 implementing government agency of a construction project shall Inform and
25 coordinate with the electric distribution, cable, or telecommunication company
26 concerned for the relocation of its lines, cables, utility poles, equipment and
27 accessories. The cost of relocating such lines, cables, utility poles, equipment and
28 accessories shall be shouldered by the implementing agency of the construction
29 project. The implementing government agency shall provide its plans, specifications
30 and provide utility corridors for the adequate evaluation of the design, construction,
31 operation, and maintenance of facilities. All costs that shall be incurred in the necessary
32 relocation of facilities of the public utilities concerned as a result of such public
33 infrastructure work shall be borne by the Implementing agency or project proponent
34 as part of its obligation to deliver the right-of-way, or by the private concessionaire,
35 as the case may be.

36 Any and all costs which shall be necessarily incurred on the clean-up operation
37 and maintenance of overhead electric distribution lines, cables, utility poles, equipment
38 and accessories in compliance with the provisions of this Act shall be shouldered and

1 paid for by the electric distribution, cable, or telecommunications companies for whom
2 the monitoring and/or service was undertaken to the city or municipal government
3 where the city/ municipal engineer leading the monitoring and service team belongs.
4

5 A real-time inspection and monitoring shall be done in cases of emergencies
6 and calamities.
7

8 **SEC. 10. *Inter-Agency Committee.*** – An Inter-Agency Committee to be chaired
9 by the ERC and composed of authorized representatives from the DPWH, Department
10 of the Interior and Local Government (DILG), Department of Information and
11 Communications Technology (DICT), National Telecommunications Company (NTC),
12 National Transmission Corporation (TransCo), National Electrification Administration
13 (NEA), and representatives from the LGUs, Is hereby created to set the prescribed
14 standards in the overhead installation of lines, cables, utility poles, equipment and
15 accessories, monitor the same and conduct periodic Inspection thereof to ensure
16 compliance thereto and shall jointly plan for the conduct of clean-up drives, identify
17 issues, prioritize key areas, recommend best practices or way forward, to ensure
18 compliance of the latter with applicable existing laws, rules and regulations of relevant
19 agencies/offices of the government, such as the PEC, the PDC, and the NBC.
20

21 The Inter-Agency Committee may invite resource persons, if deemed necessary,
22 from Professional Regulatory Board of Electrical Engineering (PRBEE), PRC-Board of
23 Electronics and Communications Engineering (PRCBECE), the Institute of Integrated
24 Electrical Engineers of the Philippines (IIEE) and two (2) representatives from the
25 private sector.
26

27 **SEC. 11. *Penalty Provisions.*** – In addition to the civil liabilities prescribed by
28 Article 2176 of the Civil Code on quasi-delict and the penalties prescribed by Article
29 365 of the Revised Penal Code on criminal negligence, and unless otherwise provided
30 under special laws, an electric distribution, cable, or telecommunications company
31 found in violation of any provision of this Act, shall be punished with a fine of not less
32 than Two hundred fifty thousand pesos (P250,000.00) but not more than Five hundred
33 thousand pesos (P500,000.00) for the first offense; a fine of not less than Five hundred
34 thousand pesos (P500,000.00) but not more than One million pesos (P1,000,000.00)
35 for the second offense; and a fine of not less than One million pesos (P1,000,000.00)
36 but not more than Two million pesos (P2,000,000.00) for the third and succeeding
37 offenses, as may be determined by the court.
38

1 **SEC. 12. *Joint Congressional Oversight Committee (JCOC).*** – There is hereby
2 created a Joint Congressional Oversight Committee to monitor the effective
3 implementation of this Act, recommend the necessary remedial or administrative
4 measures and perform such other duties and functions as may be necessary to attain
5 the objectives of this Act.
6

7 The JCOC shall be composed of ten (10) members, with the Chairpersons of the
8 Committees on Energy of both Houses of Congress as Co-Chairpersons. The
9 Chairpersons of the House Committee on Information and Communications
10 Technology and Senate Committee on Public Services shall be the Co-Vice
11 Chairpersons. An additional three (3) members from each House, shall be designated
12 by the Senate President and the Speaker of the House of Representatives, respectively:
13 *Provided,* That at least one (1) member from each House shall be nominated by their
14 respective Minority Leaders. The secretariat of the JCOC shall be the existing
15 secretariat personnel of the concerned Committees of both Houses of Congress.
16

17 **SEC. 13. *Implementing Rules and Regulations.*** – The ERC shall, in consultation
18 with the DPWH, DILG, DICT, NTC, TRANSCO, PRBEE, PRCBECE, NEA, IEE and
19 representatives from the LGUs, the electric distribution, cable and telecommunications
20 companies, promulgate the necessary Implementing Rules and Regulations (IRR)
21 within one hundred twenty (120) days from the effectivity of this Act.
22

23 **SEC. 14. *Separability Clause.*** – If, for any reason or reasons, any part or
24 provision of this Act shall be declared as unconstitutional or invalid, the other parts or
25 provisions hereof which are not affected thereby shall continue to be in full force and
26 effect.
27

28 **SEC. 15. *Repealing Clause.*** – All provisions of existing laws, orders, rules and
29 regulations or parts thereof which are in conflict or inconsistent with the provisions of
30 this Act are hereby repealed, amended or modified accordingly
31

32 **SEC. 16. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
33 publication in the Official Gazette or in a newspaper or in a newspaper of general
34 circulation in the Philippines.

Approved,