

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

9 NOV 10 2008

SENATE

COMMITTEE REPORT NO. 737

Submitted by the Committee on Public Services on NOV 10 2009

RE : **H. B. No. 6283**

Recommending its approval without amendment.

Sponsor : **Senator Revilla, Jr.**


MR. PRESIDENT:

The Senate Committee on Public Services to which was referred **H. B. No. 6283**, introduced by Representatives De Venecia, Arenas and Biron, *entitled:*

"AN ACT
AMENDING REPUBLIC ACT NO. 3221, GRANTING A
FRANCHISE TO DAGUPAN ELECTRIC CORPORATION TO
CONSTRUCT, OPERATE AND MAINTAIN A DISTRIBUTION
SYSTEM FOR THE CONVEYANCE OF ELECTRIC POWER
TO THE END-USERS IN THE CITY OF DAGUPAN, THE
MUNICIPALITIES OF CALASIAO, STA. BARBARA, SAN
FABIAN, SAN JACINTO AND MANAOAG, AND BARANGAYS
BOLINGIT AND CRUZ IN THE CITY OF SAN CARLOS, ALL
IN THE PROVINCE OF PANGASINAN, AND
RENEWING/EXTENDING THE TERM OF THE FRANCHISE
TO ANOTHER TWENTY-FIVE (25) YEARS FROM THE DATE
OF THE APPROVAL OF THIS ACT."

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached **H. B. No. 6283** be approve without amendment.

Respectfully submitted:


RAMON BONG REVILLA, JR.
Chairman
Committee on Public Services


MEMBERS:



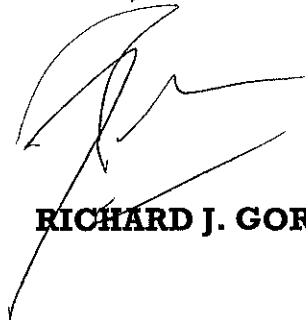
EDGARDO J. ANGARA



GREGORIO "Gringo" B. HONASAN



PANFILO "Ping" M. LACSON



RICHARD J. GORDON

MAR ROXAS



FRANCIS "Chiz" G. ESCUDERO

JOKER P. ARROYO


FRANCIS N. PANGILINAN

ALAN PETER "Compañero" S. CAYETANO

EX- OFFICIO MEMBERS:



JINGGOY P. EJERCITO ESTRADA
President Pro-Tempore



AQUILINO Q. PIMENTEL, JR.
Minority Floor Leader



JUAN MIGUEL F. ZUBIRI
Majority Floor Leader

JUAN PONCE ENRILE
Senate President
Pasay City



HOUSE OF REPRESENTATIVES

H. No. 6283

BY REPRESENTATIVES DE VENECIA, ARENAS AND BIRON, PER COMMITTEE
REPORT NO. 1990

AN ACT AMENDING REPUBLIC ACT NO. 3221, GRANTING A FRANCHISE TO DAGUPAN ELECTRIC CORPORATION TO CONSTRUCT, OPERATE AND MAINTAIN A DISTRIBUTION SYSTEM FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END-USERS IN THE CITY OF DAGUPAN, THE MUNICIPALITIES OF CALASIAO, STA. BARBARA, SAN FABIAN, SAN JACINTO AND MANAOAG, AND BARANGAYS BOLINGIT AND CRUZ IN THE CITY OF SAN CARLOS, ALL IN THE PROVINCE OF PANGASINAN, AND RENEWING/EXTENDING THE TERM OF THE FRANCHISE TO ANOTHER TWENTY-FIVE (25) YEARS FROM THE DATE OF THE APPROVAL OF THIS ACT

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

1 SECTION 1. Republic Act No. 3221, granting a franchise to Dagupan
2 Electric Corporation, is hereby amended to read as follows:

3 [SECTION 1. Subject to the terms and conditions
4 established in Act Numbered Thirty-six hundred and thirty-six,
5 as amended by Commonwealth Act Numbered One hundred and

1 thirty-two, and to the provisions of the Constitution, there is
2 granted to the Dagupan Electric Corporation, for a period of fifty
3 years from the approval of this Act, the right, privilege and
4 authority to construct, maintain and operate an electric light, heat
5 and power system for the purpose of generating and distributing
6 electric light, heat and/or power for sale within the Municipality
7 of Calasiao, Province of Pangasinan, and in Dagupan City.

8 SEC. 2. In the event that the grantee shall purchase and
9 secure from the National Power Corporation electric heat and
10 power, the National Power Corporation is hereby authorized to
11 negotiate and transact for the benefit and in behalf of the public
12 consumers with reference to rates.

13 SEC. 3. It is expressly provided that in the event the
14 Government should desire to maintain and operate for itself the
15 system and enterprise herein authorized, the grantee shall
16 surrender its franchise and will turn over to the Government all
17 serviceable equipment therein, at cost, less reasonable
18 depreciation.

19 SEC. 4. This Act shall take effect upon its approval:
20 *Provided*, That should the grantee fail to construct and operate
21 its electric light, heat and power system within three years from
22 the approval of this Act, the franchise therefor shall be null and
23 void.]

24 "SECTION 1. *NATURE AND SCOPE OF FRANCHISE.* -
25 SUBJECT TO THE PROVISIONS OF THE CONSTITUTION AND
26 APPLICABLE LAWS, RULES AND REGULATIONS, THERE IS
27 HEREBY GRANTED TO DAGUPAN ELECTRIC CORPORATION,
28 HEREUNDER REFERRED TO AS THE GRANTEE, ITS SUCCESSORS

1 OR ASSIGNS, A FRANCHISE TO CONSTRUCT, OPERATE AND
2 MAINTAIN IN THE PUBLIC INTEREST AND FOR COMMERCIAL
3 PURPOSES, A DISTRIBUTION SYSTEM FOR THE CONVEYANCE OF
4 ELECTRIC POWER TO THE END-USERS IN THE CITY OF
5 DAGUPAN, THE MUNICIPALITIES OF CALASIAO, STA. BARBARA,
6 SAN FABIAN, SAN JACINTO AND MANAOAG, AND BARANGAYS
7 BOLINGIT AND CRUZ IN THE CITY OF SAN CARLOS, ALL IN THE
8 PROVINCE OF PANGASINAN.

9 "AS USED IN THIS ACT, DISTRIBUTION SYSTEM REFERS
10 TO THE SYSTEM OF WIRES AND ASSOCIATED FACILITIES
11 INCLUDING SUBTRANSMISSION LINES BELONGING TO A
12 FRANCHISED DISTRIBUTION UTILITY EXTENDING BETWEEN
13 THE DELIVERY POINT ON THE NATIONAL TRANSMISSION
14 SYSTEM OR GENERATING FACILITY AND THE METERING
15 POINT/FACILITY OF THE END-USER."

16 "SEC. 2. *MANNER OF OPERATIONS OF FACILITIES.* - ALL
17 ELECTRIC DISTRIBUTION FACILITIES, LINES AND SYSTEMS FOR
18 ELECTRIC SERVICES OWNED, MAINTAINED, OPERATED OR
19 MANAGED BY THE GRANTEE, ITS SUCCESSORS OR ASSIGNS,
20 SHALL BE OPERATED AND MAINTAINED AT ALL TIMES IN A
21 SUPERIOR MANNER, AND IT SHALL BE THE DUTY OF THE
22 GRANTEE, ITS SUCCESSORS OR ASSIGNS, WHENEVER REQUIRED
23 TO DO SO BY THE ENERGY REGULATORY COMMISSION,
24 HEREAFTER REFERRED TO AS THE ERC, OR ITS LEGAL
25 SUCCESSOR; OR THE DEPARTMENT OF ENERGY, HEREINAFTER
26 REFERRED TO AS THE DOE, OR ITS LEGAL SUCCESSOR; OR ANY
27 OTHER GOVERNMENT AGENCY CONCERNED, TO MODIFY,
28 IMPROVE AND CHANGE SUCH FACILITIES OR SYSTEMS IN SUCH
29 MANNER AND TO SUCH EXTENT AS THE PROGRESS IN SCIENCE
30 AND IMPROVEMENTS IN THE ELECTRIC POWER SERVICES MAY
31 RENDER REASONABLE AND PROPER.

1 “WHENEVER PRACTICABLE AND FOR PURPOSES OF
2 MAINTAINING ORDER, SAFETY AND AESTHETICS ALONG THE
3 HIGHWAYS, ROADS, STREETS, ALLEYS OR RIGHT-OF-WAY, THE
4 GRANTEE MAY ALLOW THE USE OF FREE SPACES IN ITS POLES,
5 FACILITIES OR RIGHT-OF-WAY BY INTERESTED PARTIES UPON
6 REASONABLE COMPENSATION TO THE GRANTEE CONSIDERING
7 COSTS INCURRED TO ACCOMMODATE AND ADMINISTER THE
8 USE OF THE GRANTEE’S FACILITIES BY SUCH PARTIES. THE
9 ERC SHALL DECIDE IN CASE OF DISPUTE OR DISAGREEMENT
10 BETWEEN THE PARTIES.”

11 “SEC. 3. *AUTHORITY OF THE ENERGY REGULATORY*
12 *COMMISSION (ERC).* - THE GRANTEE SHALL SECURE FROM
13 THE ERC, OR ANY OTHER GOVERNMENT AGENCY WHICH HAS
14 JURISDICTION OVER THE OPERATION OF THE HEREIN
15 GRANTEE, THE NECESSARY CERTIFICATE OF PUBLIC
16 CONVENIENCE AND NECESSITY AND OTHER APPROPRIATE
17 PERMITS AND LICENSES FOR THE CONSTRUCTION AND
18 OPERATION OF ITS ELECTRIC DISTRIBUTION SYSTEM.”

19 “SEC. 4. *INGRESS AND EGRESS.* - FOR THE PURPOSE OF
20 ERECTING AND MAINTAINING POLES AND OTHER SUPPORTS
21 FOR SAID FACILITIES, WIRES OR OTHER CONDUCTORS OR FOR
22 THE PURPOSE OF LAYING AND MAINTAINING SAID FACILITIES,
23 WIRES, CABLES OR OTHER CONDUCTORS, IT SHALL BE LAWFUL
24 FOR THE GRANTEE, ITS SUCCESSORS OR ASSIGNS, WITH THE
25 PRIOR APPROVAL OF THE DEPARTMENT OF PUBLIC WORKS
26 AND HIGHWAYS (DPWH) OR THE LOCAL GOVERNMENT UNITS
27 (LGUs) CONCERNED, AS MAY BE APPROPRIATE, TO MAKE
28 EXCAVATIONS OR LAY CONDUITS IN ANY OF THE PUBLIC
29 PLACES, HIGHWAYS, STREETS, LANES, ALLEYS, AVENUES,
30 SIDEWALKS OR BRIDGES OF SAID PROVINCES AND/OR
31 MUNICIPALITIES: *PROVIDED, HOWEVER,* THAT ANY PUBLIC
32 PLACE, HIGHWAY, STREET, LANE, ALLEY, AVENUE, SIDEWALK

1 OR BRIDGE DISTURBED, ALTERED OR CHANGED BY REASON OF
2 THE ERECTION OF POLES OR OTHER SUPPORTS, OR THE
3 LAYING OF WIRES, OTHER CONDUCTORS OR CONDUITS SHALL
4 BE IMMEDIATELY REPAIRED AND PROPERLY RESTORED AT THE
5 EXPENSE OF THE GRANTEE, ITS SUCCESSORS OR ASSIGNS, IN
6 ACCORDANCE WITH THE STANDARDS SET BY THE DPWH AND
7 THE LGUs.”

8 “SEC. 5. *RESPONSIBILITY TO THE PUBLIC.* - THE
9 GRANTEE SHALL SUPPLY ELECTRICITY TO ITS CAPTIVE
10 MARKET IN THE LEAST-COST MANNER. IN THE INTEREST OF
11 THE PUBLIC GOOD AND AS FAR AS FEASIBLE AND WHENEVER
12 REQUIRED BY THE ERC, THE GRANTEE SHALL MODIFY,
13 IMPROVE OR CHANGE ITS FACILITIES, POLES, LINES, SYSTEMS
14 AND EQUIPMENT FOR THE PURPOSE OF PROVIDING EFFICIENT
15 AND RELIABLE SERVICE AND REDUCED ELECTRICITY COSTS.
16 THE GRANTEE SHALL CHARGE REASONABLE AND JUST POWER
17 RATES FOR ITS SERVICES TO ALL TYPES OF CONSUMERS
18 WITHIN ITS FRANCHISED AREAS IN ORDER THAT BUSINESS AND
19 INDUSTRIES SHALL BE ABLE TO COMPETE.

20 “THE GRANTEE SHALL HAVE THE OBLIGATION TO
21 PROVIDE OPEN AND NONDISCRIMINATORY ACCESS TO ITS
22 DISTRIBUTION SYSTEM AND SERVICES FOR ANY END-USER
23 WITHIN ITS FRANCHISE AREA CONSISTENT WITH REPUBLIC
24 ACT NO. 9136, OTHERWISE KNOWN AS ‘ELECTRIC POWER
25 INDUSTRY REFORM ACT OF 2001’. THE GRANTEE SHALL NOT
26 ENGAGE IN ANY ACTIVITY THAT WILL CONSTITUTE AN ABUSE
27 OF MARKET POWER SUCH AS, BUT NOT LIMITED TO, UNFAIR
28 TRADE PRACTICES, MONOPOLISTIC SCHEMES AND ANY OTHER
29 ACTIVITIES THAT WILL HINDER COMPETITIVENESS OF
30 BUSINESSES AND INDUSTRIES.”

31 “SEC. 6. *RATES FOR SERVICES.* - THE RETAIL RATES TO
32 ITS CAPTIVE MARKET AND CHARGES FOR THE DISTRIBUTION

1 OF ELECTRIC POWER BY THE GRANTEE TO ITS END-USERS
2 SHALL BE REGULATED BY AND SUBJECT TO THE APPROVAL OF
3 THE ERC OR ITS LEGAL SUCCESSOR.

4 "THE GRANTEE SHALL IDENTIFY AND SEGREGATE IN ITS
5 ELECTRICITY BILL TO THE END-USERS THE COMPONENTS OF
6 THE RETAIL RATE PURSUANT TO REPUBLIC ACT NO. 9136,
7 UNLESS OTHERWISE AMENDED. SUCH RATES CHARGED BY THE
8 GRANTEE TO THE END-USERS SHALL BE MADE PUBLIC AND
9 TRANSPARENT. THE GRANTEE SHALL IMPLEMENT LIFELINE
10 RATE TO MARGINALIZED END-USERS AS MANDATED UNDER
11 REPUBLIC ACT NO. 9136."

12 "SEC. 7. *PROMOTION OF CONSUMER INTERESTS.* - THE
13 HEREIN GRANTEE SHALL ESTABLISH A CONSUMER DESK THAT
14 WILL HANDLE CONSUMER COMPLAINTS AND ENSURE
15 ADEQUATE PROMOTION OF CONSUMER INTERESTS. THE
16 GRANTEE SHALL ACT WITH DISPATCH ON ALL COMPLAINTS
17 BROUGHT BEFORE IT."

18 "SEC. 8. *RIGHT OF THE GOVERNMENT.* - A SPECIAL
19 RIGHT IS HEREBY RESERVED TO THE PRESIDENT OF THE
20 PHILIPPINES IN TIMES OF WAR, REBELLION, PUBLIC PERIL,
21 CALAMITY, EMERGENCY, DISASTER OR DISTURBANCE OF
22 PEACE AND ORDER TO TAKE OVER AND OPERATE THE
23 DISTRIBUTION SYSTEM OF THE GRANTEE OR TO AUTHORIZE
24 THE TEMPORARY USE AND OPERATION THEREOF BY ANY
25 AGENCY/DEPARTMENT OF THE GOVERNMENT UPON DUE
26 COMPENSATION TO THE GRANTEE FOR THE USE OF THE SAID
27 DISTRIBUTION SYSTEM DURING THE PERIOD WHEN THEY
28 SHALL BE SO OPERATED."

29 "SEC. 9. *TAX PROVISION.* - IN CONSIDERATION OF THE
30 FRANCHISE AND RIGHTS HEREBY GRANTED, THE GRANTEE, ITS
31 SUCCESSORS OR ASSIGNS, SHALL PAY A FRANCHISE TAX,

1 WHICH MAY BE AMENDED FROM TIME TO TIME AND IS
2 CURRENTLY AT THE RATE OF AND EQUIVALENT TO FIFTY
3 PERCENT (50%) OF ONE PERCENT (1%) OF ALL REVENUES
4 DERIVED BY THE GRANTEE FROM ITS DISTRIBUTION
5 WHEELING SERVICES AND CAPTIVE MARKET SUPPLY,
6 EXCLUDING GENERATION CHARGE, TRANSMISSION CHARGE
7 AND SYSTEM LOSS CHARGE: *PROVIDED*, THAT NOTHING
8 HEREIN SHALL BE CONSTRUED AS REPEALING ANY TAX
9 EXEMPTIONS, INCENTIVES OR PRIVILEGES GRANTED UNDER
10 ANY RELEVANT LAW: *PROVIDED, FURTHER*, THAT THE
11 GRANTEE, ITS SUCCESSORS OR ASSIGNS, SHALL BE LIABLE TO
12 PAY REAL PROPERTY TAXES ONLY ON THEIR REAL ESTATE AND
13 BUILDINGS, EXCLUSIVE OF THE FRANCHISE, AS OTHER
14 CORPORATIONS ARE NOW OR HEREAFTER MAY BE REQUIRED
15 BY LAW TO PAY.

16 "THE GRANTEE SHALL FILE THE RETURN WITH THE
17 CITY WHERE ITS PRINCIPAL PLACE OF OFFICE IS LOCATED AND
18 PAY THE TAXES DUE THEREON TO THE COMMISSIONER OF
19 INTERNAL REVENUE OR HIS DULY AUTHORIZED
20 REPRESENTATIVE IN ACCORDANCE WITH THE NATIONAL
21 INTERNAL REVENUE CODE (NIRC) AND THE RETURN SHALL
22 BE SUBJECT TO AUDIT BY THE BUREAU OF INTERNAL
23 REVENUE."

24 "SEC. 10. *RIGHT OF EMINENT DOMAIN*. - SUBJECT TO
25 THE LIMITATIONS AND PROCEDURES PRESCRIBED BY LAW, THE
26 GRANTEE IS AUTHORIZED TO EXERCISE THE RIGHT OF
27 EMINENT DOMAIN INsofar AS IT MAY BE REASONABLY
28 NECESSARY FOR THE EFFICIENT MAINTENANCE AND
29 OPERATION OF SERVICES. THE GRANTEE IS AUTHORIZED TO
30 INSTALL AND MAINTAIN ITS POLES, WIRES AND OTHER
31 FACILITIES OVER AND ACROSS PUBLIC PROPERTY, INCLUDING
32 STREETS, HIGHWAYS, FOREST RESERVES AND OTHER SIMILAR

1 PROPERTY OF THE GOVERNMENT OF THE PHILIPPINES,
2 ITS BRANCHES OR ANY OF ITS INSTRUMENTALITIES. THE
3 GRANTEE MAY ACQUIRE SUCH PRIVATE PROPERTY AS IS
4 ACTUALLY NECESSARY FOR THE REALIZATION OF THE
5 PURPOSES FOR WHICH THIS FRANCHISE IS GRANTED:
6 *PROVIDED, THAT PROPER CONDEMNATION PROCEEDINGS*
7 *SHALL HAVE BEEN INSTITUTED AND JUST COMPENSATION*
8 *PAID."*

9 "SEC. 11. *WARRANTY IN FAVOR OF NATIONAL AND*
10 *LOCAL GOVERNMENTS.* - THE GRANTEE SHALL HOLD THE
11 NATIONAL, PROVINCIAL AND MUNICIPAL GOVERNMENTS OF
12 THE PHILIPPINES HARMLESS FROM ALL CLAIMS, ACCOUNTS,
13 DEMANDS OR ACTIONS ARISING OUT OF ACCIDENTS OR
14 INJURIES, WHETHER TO PROPERTY OR PERSONS, CAUSED BY
15 THE CONSTRUCTION, INSTALLATION, OPERATION AND
16 MAINTENANCE OF THE DISTRIBUTION SYSTEM OF THE
17 GRANTEE."

18 "SEC. 12. *LIABILITY FOR DAMAGES.* - THE GRANTEE
19 SHALL BE LIABLE FOR ANY INJURY AND DAMAGE ARISING
20 FROM OR CAUSED BY ACCIDENT TO PERSONS AND PROPERTY
21 BY REASON OF ANY DEFECTIVE CONSTRUCTION UNDER THIS
22 FRANCHISE OR OF ANY NEGLIGENCE OR OMISSION TO KEEP ITS
23 POLES AND WIRES IN A SAFE CONDITION."

24 "SEC. 13. *SALE, LEASE, TRANSFER, USUFRUCT, ETC.* -
25 THE GRANTEE SHALL NOT LEASE, TRANSFER, GRANT THE
26 USUFRUCT OF, OR SELL THIS FRANCHISE OR THE RIGHTS AND
27 PRIVILEGES ACQUIRED THEREUNDER TO ANY PERSON, FIRM,
28 COMPANY, CORPORATION OR OTHER COMMERCIAL OR LEGAL
29 ENTITY, NOR MERGE WITH ANY OTHER CORPORATION OR
30 ENTITY, NOR SHALL THE CONTROLLING INTEREST OF THE
31 GRANTEE BE TRANSFERRED WHETHER IN WHOLE OR IN PART,
32 AND WHETHER SIMULTANEOUSLY OR CONTEMPORANEOUSLY,

1 TO ANY SUCH PERSON, FIRM, COMPANY, CORPORATION OR
2 ENTITY WITHOUT THE PRIOR APPROVAL OF THE CONGRESS OF
3 THE PHILIPPINES. ANY PERSON OR ENTITY TO WHICH THIS
4 FRANCHISE IS SOLD, TRANSFERRED OR ASSIGNED, SHALL BE
5 SUBJECT TO THE SAME CONDITIONS, TERMS, RESTRICTIONS
6 AND LIMITATIONS OF THIS ACT.”

7 “SEC. 14. *EQUALITY CLAUSE*. - IN THE EVENT THAT
8 ANY COMPETING INDIVIDUAL, PARTNERSHIP OR CORPORATION
9 SHALL RECEIVE A SIMILAR PERMIT OR FRANCHISE WITH
10 TERMS AND/OR PROVISIONS MORE FAVORABLE THAN THOSE
11 HEREIN GRANTED OR WHICH TEND TO PLACE THE HEREIN
12 GRANTEE AT ANY DISADVANTAGE, SUCH TERMS AND/OR
13 PROVISIONS SHALL BE DEEMED PART HEREOF AND SHALL
14 OPERATE EQUALLY IN FAVOR OF THE HEREIN GRANTEE:
15 *PROVIDED*, THAT ANY TERMS AND/OR PROVISIONS HEREIN
16 GRANTED WHICH ARE NOT CONTAINED IN OTHER FRANCHISES
17 THAT MAY HEREAFTER BE GRANTED SHALL LIKEWISE BE
18 ENJOYED BY THE FUTURE GRANTEES: *PROVIDED, HOWEVER*,
19 THAT THE FOREGOING SHALL NEITHER APPLY TO NOR AFFECT
20 THE PROVISIONS CONCERNING TERRITORY COVERED BY THE
21 FRANCHISE AND THE LIFE SPAN OF THE FRANCHISE.”

22 “SEC. 15. *REPORTORIAL REQUIREMENT*. - THE
23 GRANTEE SHALL SUBMIT AN ANNUAL REPORT OF FINANCES
24 AND OPERATIONS TO THE CONGRESS OF THE PHILIPPINES.”

25 “SEC. 16. *APPLICABILITY CLAUSE*. - THE GRANTEE
26 SHALL COMPLY WITH AND BE SUBJECT TO THE PROVISIONS OF
27 COMMONWEALTH ACT NO. 146, AS AMENDED, OTHERWISE
28 KNOWN AS THE ‘PUBLIC SERVICES ACT’ AND REPUBLIC ACT
29 NO. 9136, OTHERWISE KNOWN AS THE ‘ELECTRIC POWER
30 INDUSTRY REFORM ACT OF 2001’.”

1 “SEC. 17. *REPEALABILITY AND NONEXCLUSIVITY*
2 *CLAUSE.* - THIS FRANCHISE SHALL BE SUBJECT TO
3 AMENDMENT, ALTERATION OR REPEAL BY THE CONGRESS OF
4 THE PHILIPPINES WHEN THE PUBLIC INTEREST SO REQUIRES
5 AND SHALL NOT BE INTERPRETED AS AN EXCLUSIVE GRANT OF
6 THE PRIVILEGES HEREIN PROVIDED FOR.”

7 “SEC. 18. *SEPARABILITY CLAUSE.* - IF, FOR ANY
8 REASON, ANY OF THE SECTIONS OR PROVISIONS OF THIS ACT IS
9 DECLARED UNCONSTITUTIONAL OR INVALID, THE OTHER
10 PARTS OR PROVISIONS HEREOF WHICH ARE NOT AFFECTED
11 THEREBY SHALL CONTINUE TO BE IN FULL FORCE AND
12 EFFECT.”

13 SEC. 2. *Renewal/Extension of the Term of Franchise.* - This franchise
14 shall be for a term of twenty-five (25) years from the date of effectivity of this
15 Act. This franchise shall be deemed *ipso facto* revoked in the event that the
16 grantee fails to operate continuously for two (2) years.

17 SEC. 3. *Acceptance and Compliance.* - Acceptance of the amendment
18 and extension/renewal of the franchise shall be given in writing within sixty
19 (60) days from the date of effectivity of this Act.

20 SEC. 4. *Repealing Clause.* - All laws, decrees, orders, resolutions,
21 instructions and rules and regulations or parts thereof which are inconsistent
22 with this Act are hereby deemed repealed or modified accordingly.

23 SEC. 5. *Effectivity Clause.* - This Act shall take effect fifteen (15) days
24 after its publication in at least two (2) newspapers of general circulation.

Approved,