

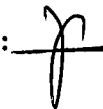
SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'16 JUL 20 P4:48

SENATE
S.B. No. 711

RECEIVED BY: 

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**AN ACT PROVIDING FOR A MAGNA CARTA FOR WORKERS IN THE ENERGY SECTOR OF
THE PHILIPPINES, AUTHORIZING THE COLLECTION AND APPROPRIATION OF FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

Explanatory Note

In a growing economy like the Philippines, accessible and inexpensive energy is crucial in the sustained progress of every home and industry. Electricity makes our daily routines possible and ensures our productivity at home, in school and at work. Without it, we will cease to move forward as a nation.

Unfortunately, the Philippines has one of the highest electricity prices in the region, deterring foreign investors and burdening consumers. As we see it as an essential commodity and necessity, energy consumers may have fallen at the mercy of providers.

It is imperative to safeguard the rights of energy consumers and guarantee they are properly represented in proceedings regarding rules and rates in the field of energy.


Thus, the Office for the Protection of Energy Consumers (OPEC) Bill aims to establish an institution with the sole responsibility of vehemently protecting the rights of our energy consumers and ensuring they are properly informed.

It shall act as the default intervener on behalf of the electricity consumers in any and all petitions and applications affecting the electricity rates to be charged to electricity consumers.

It shall advocate in behalf of the consumers the lowest possible rates, conduct independent reviews of service quality, safety and reliability, and represent consumer interest in energy policy making.

We can hope that, with a collective voice and a resolute body in the form of the Office for the Protection of Energy Consumers, we can push for the improvement in reliability and cost of power in the country.

In view of the foregoing, the approval of the bill is earnestly sought.


Senator Paolo Benigno Aquino IV

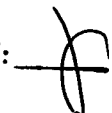
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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Title.** – This Act shall be known as the "Magna Carta for Workers in the
2 Energy Sector of the Philippines."

3 **SEC. 2. Declaration of Policy.** – The State recognizes energy as an essential element
4 for the attainment of sustained national development and progress. To attain this
5 objective, it is hereby declared the policy of the State to provide for a program of human
6 resources development in energy sector to achieve and maintain the necessary reservoir
7 of talent and manpower that will sustain its drive for accessible, affordable and sustainable
8 electricity in various parts and sectors of the society.

9 The State shall establish, promote and support programs leading to the realization
10 of this objective, such as scholarship programs, improvement of the quality of energy
11 education, popularization and sustainability of energy culture, and provision of incentives
12 for pursuing careers in energy and its allied degree programs.

13 **SEC. 3. Definition of Terms.** As used in this Act, the following terms shall mean:

14 a) *Department* – the Department of Energy (DOE) created pursuant to Republic Act
15 No. 7638.

16 b) *Department's Attached Agencies* – the attached agencies of the Department shall
17 include, but not limited to, the National Electrification Administration (NEA),
18 National Power Corporation (NPC), National Transmission Corporation (TransCo),
19 Philippine National Oil Company (PNOC), and Power Sector Assets and Liabilities
20 Management (PSALM).

1 c) *Energy Activities and Projects* – all systematic activities and projects which are
2 closely concerned with the energy exploration, development, generation,
3 transmission, distribution, utilization and commercialization of energy resources
4 including the dissemination and application of scientific and technical knowledge in
5 all fields of energy such as, but not limited to, coal mining, oil and petroleum,
6 renewable energy, gas, alternative energy technologies, bio-energy, electrification
7 and all undertakings that are necessary for the proper, effective and efficient
8 implementation of the Philippine Energy Plan (PEP) formulated by the Department
9 duly approved by the President of the Philippines.

10 d) *Energy Workers or Personnel* – composed of personnel as classified below:

11 i. Department's Workers – refers to all officials and personnel of the
12 Department who are directly responsible in the planning, formulation,
13 processing, execution, monitoring and evaluation of energy programs,
14 activities and projects;

15 ii. Department's Attached Agencies Workers - refers to all officials and
16 personnel of the Department's attached agencies who are directly
17 responsible in the planning, formulation, processing, execution, monitoring
18 and evaluation of energy programs, activities and projects and as defined in
19 their respective Charters; and

20 iii. Electrification Workers – refers to all officials and personnel of the different
21 Electric Cooperatives duly registered with the National Electrification
22 Administration and Cooperative Development Authority.

23 **SEC. 4. Energy Career System.** – The Department in coordination with the Civil
24 Service Commission (CSC) shall formulate a career system for energy personnel in the
25 service of the government.

26 **SEC. 5. Classification of Energy Personnel.** – Energy personnel may be classified in
27 the following categories:

28
29 a) Energy managers, supervisors, policy-makers, and planners – Those who are
30 graduate degree holders or have at least ten (10) years of managerial and
31 supervisory experience or are performing executive, managerial, planning and
32 policy-making functions to effectively carry out the energy related activities and
33 projects as defined in Section 3(c) of this Act.
34

35 *Provided,* That for personnel who occupy third level positions, comprised of
36 above Division Chief to Undersecretary and their equivalents, must be appointed
37 by the President of the Philippines to the appropriate Career Executive Service
38 Officer (CESO) rank in accordance to the pertinent policies and regulations
39 promulgated by the Career Executive Service Board (CESB);
40

41 b) Members of the energy career system;

1 c) Mining and petroleum engineers, geologists, engineers, scientists, inspectors, and
2 researchers. – Those who are at least undergraduate or bachelor’s degree holders
3 in any of the engineering, law, public administration, economics and its allied fields
4 and are involved in the conduct of inspections, enforcement, evaluation and
5 monitoring of energy activities and projects as defined under Section 3(c) of the act
6 including those engaged in research and development on energy sector; and

7 d) Technicians and related energy personnel. – Those who obtained at least twelve
8 (12) units in public administration, engineering, sciences, economics, social
9 sciences, information and communication technology (ICT) and allied courses or
10 any appropriate training as determined by the Secretary of the Department and are
11 providing administrative and support services to energy personnel enumerated in
12 the three (3) preceding sub-sections. The related energy personnel herein shall also
13 include those workers involved in the audit, enforcement, evaluation and
14 monitoring of the technical, financial, legal and socio-economic aspects of any
15 energy program, project and activities.

16 **SEC. 6. Salaries.** – The existing law on salary scales of government employees shall
17 not apply in determining the salary scale of energy personnel as defined in Section 5 of this
18 Act. A new salary scale shall be developed by the Department in consultation with the
19 Department of Budget and Management (DBM) and the Civil Service Commission (CSC),
20 subject to the approval of the President of the Philippines.

21 **SEC. 7. Other Benefits.** – Notwithstanding Section 12 of Republic Act No. 6758,
22 energy personnel defined under Section 5 of this Act shall receive the following:
23

24 a) **Honorarium.** – Energy personnel who rendered services beyond the established
25 irregular workload of managers or executives, mining and petroleum engineers,
26 geologists, engineers, scientists, researchers, inspectors and technicians whose
27 broad and superior knowledge, expertise or professional standing in a specific field
28 contributes to productivity and innovativeness shall be entitled to receive
29 honorarium subject to rules to be set by the Department.

30 The Chairs, Vice Chairs, Members and Secretariat of governing boards or
31 technical committees of the Department created by law and regulations such as,
32 but not limited to, the National Renewable Energy Board (NREB) and Renewable
33 Energy-Review and Evaluation Committee (RE-REC) under Republic Act No. 9513
34 and its Implementing Rules and Regulations and its subsequent issuances, the
35 National Biofuels Board (NBB) under Republic Act No. 9367, Review and Evaluation
36 Committee of the Philippine Energy Contracting Round (REC-PECR) under
37 Presidential Decree No. 1442 and its subsequent issuances and implementing
38 guidelines, including that of the Department’s attached agencies, shall be entitled
39 to reasonable honorarium as prescribed by the Department of Budget and
40 Management, and reimbursement of actual expenses incurred for their attendance
41 during meetings, seminars, conferences and official functions subject to usual
42 accounting and auditing rules and regulations.

1 **b) Share from Government Shares, Fees and Charges from Supervision and**
2 **Regulation.** – Energy personnel shall be entitled to receive share from government
3 shares, fees and charges from supervision and regulation subject to guidelines of
4 the Department. The share from the government shares shall be on a sixty percent-
5 forty percent (60%-40%) basis in favor of the government and the personnel
6 involved in energy programs, activities and projects which have been produced or
7 undertaken during the regular performance of their functions.

8 For the purpose of this Act, government share shall be defined as a share in
9 the proceeds of payments arising from the energy exploration, development,
10 generation, transmission, distribution, utilization and commercialization of energy
11 resources in various sectors while share in the fees and charges from supervision
12 and regulation in the downstream oil industry shall refer to the sum charged and
13 collected from acknowledgements, applications, certifications, endorsements,
14 processing fees, violation fines/penalties and other reasonable payments in
15 connection with the enforcement of energy laws and implementation of program,
16 activities and projects in the downstream oil industry;

17 **c) Hazard Allowance.** – Energy personnel involved in hazardous undertakings or
18 assigned in hazardous workplaces to conduct periodic inspection, evaluation and
19 monitoring of energy related projects and activities shall be paid hazard allowances
20 ranging from ten (10%) to thirty (30%) percent of their monthly basic salary
21 depending on the nature and extent of the hazard involved. The following shall be
22 considered hazardous workplaces:

- 23
- 24 i. Radiation-exposed laboratories and service workshops;
 - 25 ii. Remote/depressed areas;
 - 26 iii. Areas declared under a state of calamity or emergency;
 - 27 iv. Strife-torn or embattled areas;
 - 28 v. Laboratories and other disease-infested areas;
 - 29 vi. Electrical machine and mechanical rooms;
 - 30 vii. Pressure vessels and other steam generating facilities; and
 - 31 viii. Areas, establishments or energy and energy-related facilities where energy
32 personnel or inspectors are directly or imminently exposed to hazardous
33 vapors, products and toxic fumes (and substances) such as, gasoline
34 stations, oil depots, terminals, auto-LPG dispensing stations and gas refilling
35 plants.

36 **d) Subsistence Allowance.** – Energy personnel shall be entitled to full subsistence
37 allowance equivalent to three (3) meals a day, which may be computed and
38 implemented in accordance with the criteria to be provided in the implementing
39 rules and regulations. Those assigned out of their regular work stations shall be
40 entitled to per diem in place of the allowance;

- 1 e) **Laundry Allowance.** – Energy personnel who are required to wear a prescribed
2 uniform during office hours shall be entitled to a laundry allowance of not less than
3 One hundred fifty pesos (Php150.00) a month;
- 4 f) **Housing and Quarter Allowance.** – Energy Personnel who are on duty in
5 laboratories, energy research and development centers and other government
6 facilities shall be entitled to free living quarters within the government facility
7 where they are stationed: *Provided*, That the personnel have their residence
8 outside of the fifty (50)- kilometer radius from such government facility;
- 9 g) **Longevity Pay.** – A monthly longevity pay equivalent to five percent (5%) of the
10 monthly basic salary shall be paid to energy personnel for every five (5) years of
11 continuous and meritorious service as determined by the Secretary of the
12 Department;
- 13 h) **Medical Examination.** – During the tenure of their employment, energy personnel
14 shall be given a compulsory free medical examination once a year and
15 immunization as the case may warrant. The medical examination shall include:
16
17 i. Complete physical examination;
18 ii. Routine laboratory, Chest X-ray and ECG;
19 iii. Psychometric examination;
20 iv. Dental Examination; and
21 v. Other indicated examination authorized by the Department Secretary
- 22 i) **Family and Home Visit Allowance.** – To further enhance the recruitment process
23 and mobility of energy personnel, a monthly family and home visit allowance shall
24 be provided to energy personnel comprised of free transportation during Saturdays
25 and Sundays or Holidays only. *Provided*, That the personnel have their residence
26 outside of the fifty (50)- kilometer radius from work assignment;
- 27 j) **Incremental Performance-Based Bonus.** – Energy personnel shall be provided of at
28 least twenty (20%) percent additional performance-based bonus if the total annual
29 agency accomplishment has surpassed by one hundred (100%) percent during the
30 period covered as verified by the Department of Budget and Management;
- 31 k) **Collective Negotiation Agreement (CNA).** – Energy personnel shall be given the
32 right to enter into Collective Negotiation Agreements including the grant of
33 benefits thereof in accordance with applicable rules and regulations. *Provided*, That
34 for employees of government-owned and controlled corporations and financial
35 institutions, the CNA may only be granted upon showing of the agency's fiscal and
36 financial viability;
- 37 l) **Hardship Allowance.** – Energy workers who performed physical work performed in
38 hazardous environments such as, the conduct of inspections, evaluation and
39 monitoring of energy-related activities and projects be covered by Hardship
40 Allowance of Five Hundred Pesos (Php500.00) per day; and

1 m) **Maternity or Paternity Leave-** Subject to rules and regulations promulgated jointly
2 by the Department and CSC, energy workers, both public and private, shall be
3 granted of ninety (90) days, with full pay based on average weekly or regular
4 wages, regardless if the delivery was normal or caesarian.

5 Subject to the approval by the Department Secretary, an additional
6 maternity leave of thirty (30) days, without pay, can be availed of, at the option of
7 the employee.

8 **SEC. 8. Non-Department Personnel.** – Energy personnel not employed by the
9 Department such as, but not limited to, the personnel of the Affiliated Energy Centers
10 (AECs), comprised of State Universities and Colleges (SUCs), government research and
11 development institutions or consortium thereof, duly accredited by the Department in
12 accordance with its relevant policies and guidelines who are involved in energy activities
13 and projects including the officials and faculty members of State Universities and Colleges
14 under Section 10 of this Act, may avail of the benefits under this Act upon certification of
15 the Secretary of the Department.

16 The existing Affiliated Renewable Energy Centers (ARECs), in good standing, may be
17 converted to AECs subject to the appropriate guidelines, qualifications, requirements and
18 processes to be issued by the Department Secretary.

19 **SEC. 9. Scholarships and Grants.** – Energy personnel in public and private sectors
20 shall be entitled to avail of scholarship benefits and grants pursuing undergraduate,
21 graduate, post-graduate or training courses in accordance with a Scholarship Program to
22 be implemented by the Department. Grantees of the program may study within the
23 Philippines or abroad provided that the Department shall provide strict measures to
24 ensure their return to the country to render the service obligation.

25 Recipients of undergraduate scholarships shall, after graduation, be required to
26 render service in the government for the equivalent number of years that they availed of
27 their scholarships. However, in case where there are no available positions in the
28 government, they may be allowed to work in the private sector.

29 Scholarship privileges may be on a full-time or part-time basis and shall include
30 tuition fee, book allowance, transportation allowance, monthly stipend, dissertation
31 grants, insurance and the payment of regular salary and other benefits.

32 For this purpose, the Human Resource Development Council created under
33 Republic Act No. 8248 shall formulate the rules and regulations to implement the
34 Scholarship Program provided in this Act.

35 **SEC. 10. Offering of Energy Related Degree Programs and Trainings in Higher**
36 **Education Institutions.** To further enhance the implementation of the policies under
37 Section 2 of this Act, offering of energy related degree programs shall be mandatory to
38 State Universities and Colleges (SUCs) with mandates and curricular offerings or programs

1 provided in their respective Charters that include, among others, energy, geology, science
2 and technology. Other State Universities and Colleges including private higher education
3 institutions shall also be encouraged to offer energy related degree programs.

4 To fully implement this provision, SUCs offering energy related programs shall be
5 entitled to automatic additional budget of not less than five (5%) percent of their
6 respective annual appropriations to be used for the personnel services, MOOE and capital
7 outlay necessary to ensure sustainability of the energy related degree programs in their
8 respective schools. Furthermore, the Secretary of the Department or his/her authorized
9 representative shall be member of the governing board of SUCs and private institutions
10 offering energy related programs to ensure that it shall be complementary and
11 contributory to the Philippine Energy Plan and thrusts of the national government. The
12 Secretary or his/her duly authorized representative shall be entitled to the rights and
13 privileges of a regular member of the governing board pursuant to Republic Act No. 8292,
14 otherwise known as the "Higher Education Modernization Act of 1997" and the charters of
15 SUCs or by-laws and policies of the private higher education institutions concerned.

16 Furthermore, the Department shall endeavor to establish partnerships with public
17 and private institutions for the establishment and operations of training institutes to cater
18 to the professional, technical, administrative or managerial and executive enhancement
19 and training needs of the energy personnel and interested individuals in the energy sector.
20 Such amount necessary for the implementation of this provision shall be incorporated in
21 the annual budget of the Department.

22 **SEC. 11. Honorarium for Other Services.** – Mining and petroleum engineers,
23 geologists, engineers, scientists, researchers, technologists, inspectors, technicians and
24 other energy officials and personnel shall be allowed to render consultancy services to the
25 private sector and shall be entitled to receive such honorarium that may be paid to them
26 by the private entity concerned. Such payments shall be over and above their salary from
27 the government during the period of the consultancy and shall not be considered as
28 double compensation: *Provided*, That the consultancy work will not jeopardize or
29 adversely affect the operations or activities of his/her originating office or constitute
30 conflict of interest of his/her duties and responsibilities therein: *Provided, further*, That the
31 Secretary of the Department approves such consultancy.

32 **SEC. 12. Detail to the Private Sector and Industry Immersion.** – Notwithstanding to
33 the provisions of existing laws, officials, mining and petroleum engineers, geologists,
34 engineers, scientists, researchers, technologists, inspectors, technicians and energy related
35 personnel who are employed on a regular basis in the government, whether or not they
36 are conferred any rank under the Energy Career System, shall hereby be allowed
37 secondment to any private entity whenever such services are required: *Provided*, That the
38 duration of such service with a private entity shall not exceed one (1) year: *Provided*,
39 *further*, That the detail or secondment of said personnel will not hamper or adversely
40 affect the operations or activities of his/her originating office or constitute conflict of
41 interest of his/her duties and responsibilities therein: *Provided, finally*, That the head of
42 the agency approves such detail or secondment.
43

1 During the period of such secondment, payment of the seconded employee shall
2 be borne by the seconding private entity covered by a contract. The period of secondment
3 shall be used in computing the retirement benefits but not for the commutation of leave
4 credits earned. Such secondment shall not likewise affect his security of tenure nor result
5 in the loss of seniority rights subject to guidelines on secondment in the IRR of this Act.

6 **SEC. 13. Exemption from the Attrition Law and Civil Service Rule on Nepotism.** –
7 Except for third level positions, appointment of energy personnel to positions equivalent
8 to salary grade ten (SG 10) and above shall not be covered by the Attrition Law and Civil
9 Service Commission (CSC) rule on nepotism in consideration of the highly technical nature
10 of these positions.

11 **SEC. 14. Provision Against Double Benefits.** – Energy personnel already receiving
12 the same benefits under any other law shall not be allowed to avail of the benefits under
13 this Act unless they submit in writing their intention to withdraw the benefits already
14 being received and opt for those provided hereunder.

15 **SEC. 15. Highest Basic Salary Upon Retirement.** – Upon retirement, the energy
16 personnel concerned shall automatically be granted one (1) position higher than his/her
17 current position and his/her retirement benefits shall be computed on the basis of the
18 equivalent salary of the next higher position/rank.

19 Upon retirement, the energy personnel concerned shall also be granted retirement
20 gratuity based on the total length of service (converted into gratuity months) multiplied by
21 the highest basic salary of the higher position/rank provided above in accordance with the
22 provisions of Republic Act No. 1616 or "An Act Further Amending Section Twelve of
23 Commonwealth Act Numbered One Hundred Eighty-Six, as Amended, By Prescribing Two
24 Other Modes of Retirement and For Other Purposes."

25 **SEC. 16. Prohibition Against Diminution and/or Elimination.** – Nothing in this law
26 shall be construed to eliminate or in any way diminish benefits being enjoyed by energy
27 personnel at the time of the effectivity of this Act.

28 **SEC. 17. Hiring of Retired Energy Personnel.** An employee retired under any
29 existing law, who, in the judgment of the Secretary of the Department, possesses
30 managerial or technical qualifications and the capability to undertake energy related
31 activities, may be rehired on contractual basis without refunding the unexpired portion of
32 the gratuity and accumulated leave benefits received by him/her from the Government:
33 *Provided*, That no qualified energy expert or applicant is available to undertake said energy
34 activities.

35 **SEC. 18. Government Scholars and Training Grantees.** – Graduates or grantees of
36 government energy scholarship programs or trainings shall be given temporary waiver of
37 CSC eligibilities for at least two (2) years and preferential access to financial grants from
38 any government agency authorized to extend grants and loans with easy terms from
39 government financing institutes, for energy projects which are viable and in line with the
40 development thrust of the country.

1 **SEC. 19. Enhancement of Corporate Social Responsibility (CSR) Programs in the**
2 **Energy Sector.** – The Department shall devise mechanism that shall enhance the
3 Corporate Social Responsibility (CSR) Programs of the energy sector which shall redound to
4 the benefit of the general welfare of the host local government units (LGUs) and of energy
5 activities or projects. A host LGU/s shall include the political subdivision such as, the
6 barangay/s, municipality/ies and province/s where the energy project is located.

7 The CSR commitment fund of every energy contractor shall be determined by the
8 Department and the same be integrated in the service or operating contracts to be
9 executed between the Department and the contractor subject to applicable laws, rules
10 and regulations.

11 The duly accredited Affiliated Energy Centers shall be given preference as partner
12 of energy contractors in the implementation of the CSR programs in their respective areas
13 consistent with relevant policies to be issued by the Department.

14 **SEC. 20. Energy Awards.** – There shall be established Energy Awards Committee
15 which shall confer annually the Energy Awards for outstanding achievement/s and
16 excellence or original contribution to energy development, exploration, commercialization,
17 utilization, transmission and distribution.

18 The Committee, to be constituted by the Secretary of the Department within
19 fifteen days upon the effectivity of this Act, shall promulgate the guidelines in
20 implementing this Section and shall specify the categories of awards to be given and the
21 amount of financial reward for each category. Further, the Chair, Vice Chair and Members
22 including the Technical Staff of the Committee shall be entitled with the benefits provided
23 under 2nd paragraph of Section 7 (a) of this Act.

24 **SEC. 21. Congressional Commission on Energy.** – There is hereby created a
25 Congressional Commission on Energy (Energy Com) to review and assess among others,
26 the state of the Philippine human resources development in energy sector, the state of
27 computerization and information technology in the energy activities and projects, and the
28 implementation of this Act.

29 The Commission shall be composed of five (5) Members of the House of
30 Representatives and five (5) Members of the Senate. It shall be Co-chaired by the
31 Chairpersons of the Committee on Energy of both Houses of Congress. Such congressional
32 review shall be undertaken at least once every two (2) years.

33 **SEC. 22. Authority of the Department to Collect, Manage and Disburse Income.** –
34 To supplement the implementation of this Act, the Department is hereby authorized to
35 collect any amount for the royalties from the energy activities and projects due for the
36 government as provided under Section 7(b) including, among others, the application,
37 processing or supervision and regulation fees, signing bonus, training assistance,
38 scholarship programs, and development assistance and such other reasonable fees and
39 charges for the application and awarded service and operating contracts.

1 All incomes generated by the Department shall be deposited in trust accounts in
2 the authorized government depository banks to be exclusively managed and disbursed by
3 the Department subject to usual accounting and auditing rules and regulations.

4 To attain the mandate and objective of this provision, the Secretary of the
5 Department shall create separate Compliance Services with divisions for renewable energy
6 resources, conventional energy resources, and the DOE-administered funds from power
7 producer/energy resource developers and such other units. The organizational staffing
8 patterns of these Compliance Services and its divisions or units shall be submitted to the
9 Department of Budget and Management for approval.

10 **SEC. 23. Establishment and Management of the Regional Offices.** – To further
11 enhance the efforts, and ensure proper and efficient protection and utilization of energy
12 resources there is a need to strengthen the regulatory powers and functions of the
13 Department of Energy. Toward this end, the Secretary of the Department is hereby
14 authorized to create a Regional Office for every regional subdivision in the Philippines with
15 adequate manpower, facilities, equipment and resources necessary in carrying out their
16 respective mandates, regulatory authority, and duties.

17 The Regional Offices shall be under the direct administrative supervision and
18 control of the Office of the Secretary or any designated official of the Department and
19 each shall be headed by a Regional Director who shall be assisted by at least two (2)
20 Assistant Regional Directors and Chiefs and staff of various administrative and technical
21 divisions in accordance with the organizational staffing patterns approved by the
22 Department of Budget and Management.

23 The current employees of the Department of Energy in its field offices shall be
24 given priority in the hiring and filling-up of positions in various Regional Offices so created.

25 Hiring, promotions and other personnel actions of the officials and employees shall
26 be subject to applicable laws, rules and regulations.

27 **SEC. 24. Research and Development (R&D) on Energy.** The Department shall, in
28 consultation with the stakeholders, formulate a short-term, medium-term and long-term
29 Research and Development (R&D) on Energy complementary to the Philippine Energy Plan
30 (PEP) and local and national development plans and thrusts.

31 To fully implement this provision, the Department Secretary is hereby authorized
32 to create and prescribe the functions and duties of the Energy Research and Development
33 Office (ERDO) under the direct supervision of the Office of the Secretary or his authorized
34 representative. The organizational and staffing pattern including the hiring of the Director,
35 Division Chiefs and other personnel of the ERDO shall be subject to the approval of the
36 DBM and in accordance with the pertinent Civil Service Commission and other applicable
37 laws, rules and regulations.

1 **SEC. 25. *Funding.*** – The amount necessary to fully implement this Act shall be
2 provided in the General Appropriations Act (GAA) of the year following its enactment into
3 law under the budgetary appropriations of the DOE and concerned agencies.

4 **SEC. 26. *Annual Report.*** – The Secretary of the Department shall submit to the
5 Congressional Commission on Energy, an annual report of the status of implementation of
6 this Act.

7 **SEC. 27. *Implementing Rules and Regulations (IRR).*** – The Secretary of the
8 Department, in consultation with government and nongovernment agencies involved in
9 energy activities and projects, shall formulate the implementing rules and regulations
10 within sixty (60) days from the effectivity of this Act, to carry out the provisions of this Act.

11 **SEC. 28. *Repealing Clause.*** – All laws, decrees, orders, rules and regulations, or
12 parts thereof, inconsistent with the provisions of this Act are hereby amended or repealed
13 accordingly.

14 **SEC. 29. *Separability Clause.*** – The provisions of this Act are hereby declared
15 separable. In the event that any provision hereof is rendered unconstitutional, those that
16 are not affected shall remain valid and effective.

17 **SEC. 30. *Effectivity.*** – This Act shall take effect immediately after publication in the
18 Official Gazette or two (2) newspapers of general circulation.

19 *Approved,*