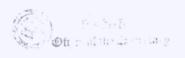
### SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Third Regular Session



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# COMMITTEE REPORT NO. 499

Submitted by the Committee on Energy NOV 1 5 2018

Re: Senate Bill No. 2098

Recommending its approval in substitution of Senate Bill No. 1939

Sponsor: Senator Sherwin T. Gatchalian

#### MR. PRESIDENT:

The Committee on Energy to which was referred **Senate Bill No. 1939**, introduced by Senator Sherwin T. Gatchalian, entitled:

# "AN ACT ENSURING THE CONTINUOUS AND UNINTERRUPTED TRANSMISSION AND DISTRIBUTION OF ELECTRICITY, THE PROTECTION OF THE INTEGRITY AND RELIABILITY OF POWER LINES, AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF"

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached bill, **Senate Bill No.** 2098 entitled:

## "AN ACT ENSURING THE CONTINUOUS AND UNINTERRUPTED TRANSMISSION AND DISTRIBUTION OF ELECTRICITY AND THE PROTECTION OF THE INTEGRITY AND RELIABILITY OF POWER LINES, AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF"

be approved in substitution of **Senate Bill No. 1939**, with **Senator Gatchalian** as author thereof.

Respectfully, submitted:

CHAIRPERSON:

SHERWIN T. GATCHALIAN

Committee on Energy

VICE CHAIRPERSONS:

GREGORIO B. HŐŃA Committee on Energy

**RICHARD J. GORDON** Committee on Energy

na

MARIA LOURDES NANCY S. BINAY Committee on Energy

**MEMBERS**:

JOSEPH VICTOR G. EJERCITO Committee on Energy



GRACE POE Committee on Energy

PAOLO BENIGNO "Bam" AQUINO IV Committee on Energy

LOREN B. LEGARDA Committee on Energy EMMANUAL "Manny" D. PACQUAIO

Committee on Energy

**CYNTHIA A. VILLAR** Committee on Energy

FRANCIS "Chiz" G. ESCUDERO Committee on Energy

ANTONIO "Sonny" F. TRILLANES IV Committee on Energy

**FRANCIS** "*Kiko*" **PANGILINAN** Committee on Energy

**LEILA M. DE LIMA** Committee on Energy

**EX-OFFICIO MEMBERS:** RALPH G. RECTO President Pro-Tempore

JUAN MIGUEL "*Migz*" F. ZUBIRI Majority Leader

FŔA IN M. DRILON Minority Leader

HON. VICENTE C. SOTTO III Senate President SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *Third Regular Session* 



#### SENATE

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# S. B. No. 2098

Prepared and submitted by the Committee on Energy, with Senator Gatchalian as author thereof

#### AN ACT

## ENSURING THE CONTINUOUS AND UNINTERRUPTED TRANSMISSION AND DISTRIBUTION OF ELECTRICITY AND THE PROTECTION OF THE INTEGRITY AND RELIABILITY OF POWER LINES, AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF

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

SECTION 1. Short Title. – This Act shall be referred to as the "Anti-Obstruction of
 Power Lines Act of 2018."

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SECTION 2. Declaration of Policy. – It is hereby declared the policy of the State to ensure uninterrupted Conveyance of Electricity from generating plants to End Users, and protect the integrity and reliability of the country's Transmission, Sub-transmission, and Distribution Systems by keeping the land beneath, the air spaces surrounding, and the area traversed by Power Lines clear of dangerous obstructions.

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The State further recognizes that the continuous Conveyance of Electricity is a matter of national security and is essential to sustaining the country's economic development. Finally, the State acknowledges the crucial role of property owners in ensuring that Power Lines remain free of any dangerous and hazardous activities and improvements.

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*SECTION 3. Coverage.* – This Act shall cover all Power Lines and other related
 facilities for the Conveyance of Electricity throughout the country.

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*SECTION 4. Definition of Terms.* – For purposes of this Act, the following terms
 shall be defined as stated below:

- (a) Armed Forces of the Philippines refers to the government agency mandated under Section 3, Article II of the 1987 Constitution, and whose organizational structure is provided under Executive Order No. 292, otherwise known as the "Administrative Code of 1987";
- (b) Board of Electrical Engineering refers to the Board created under Republic Act No. 7920, otherwise known as the "New Electrical Engineering Law" under the general supervision and administrative control of the Professional Regulation Commission;
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(c) Civil Code of the Philippines refers to Republic Act No. 386;

- (d) Conveyance of Electricity refers to the delivery of electricity from the
   generating plant to the premises of the End User, through Power Lines;
- (e) **Dangerous Structure or Building** refers to those which are structurally 16 unsafe; or which constitute a fire hazard not provided with safe egress, or are 17 otherwise dangerous to human health; or which in relation to existing use 18 constitute a hazard to safety, health, or public welfare, by reason of inadequate 19 maintenance, dilapidation, obsolescence, fire hazard, or abandonment; or 20 which otherwise contribute to the pollution of the site or the community to an 21 intolerable degree. It also refers to any building or structure which has any or 22 all of the conditions or defects described in Section 1.01.08 (b), Republic Act 23 No. 6541, otherwise known as the "National Building Code of the Philippines": 24 Provided, That such condition or defect exists to the extent that life, health, 25 property, or safety of the public or its occupants are endangered; 26
- (f) Department of Energy (DOE) refers to the government agency created
   pursuant to Republic Act No. 7638, otherwise known as the "Department of
   Energy Act of 1992" and whose powers were expanded under Republic Act No.
   9136, otherwise known as the "Electric Power Industry Reform Act of 2001";
- 31
- (g) Department of Environment and Natural Resources (DENR) refers to
   the government agency created pursuant to Executive Order No. 192,
   otherwise known as "Providing the Reorganization of the Department of

Environment, Energy and Natural Resources and Renaming it to the Department of Environment and Natural Resources";

 (h) Distribution Lines refer to the portion of the Distribution System pertaining to the lines or wires;

(i) Distribution Utility (DU) refers to any electric cooperative, private corporation, or government-owned utility which has a franchise to operate a Distribution System including those whose franchise covers economic zones;

- (j) **Distribution System** refers to the system of wires and associated facilities
   belonging to a franchised Distribution Utility extending between the delivery
   points on the Transmission or Sub-transmission System or generator
   connection and the point of connection to the premises of the End User;
- (k) Easement Fee refers to the just compensation for the legal easement
   imposed upon the property of the owner, as determined by the courts in
   accordance with relevant laws, rules, and regulations;
- (I) End User refers to any person or entity requiring the supply and delivery of
   electricity for its own use;
- 22 (m) **Hazardous Activities** refer to burning of waste and other materials, 23 excavation, quarrying, construction, and other activities of the same nature and 24 character, which are performed partially or wholly inside the Power Line 25 Corridor which threaten or endanger the continuous and uninterrupted 26 Conveyance of Electricity;
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- (n) Hazardous Improvements refer to structures, buildings, and improvements
   of whatever kind, whether temporary or permanent in character and regardless
   of the purpose for which they are intended, which are located partially or
   wholly inside the Power Line Corridor which threaten or endanger the
   continuous and uninterrupted Conveyance of Electricity;
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- (o) Housing and Land Use Regulatory Board (HLURB) refers to the
   government agency designated as the sole regulatory body for housing and

land development by Executive Order No. 684, otherwise known as "Reorganizing The Human Settlements Regulatory Commission" as amended;

(p) Joint Congressional Power Commission (JCPC) refers to the congressional oversight body created under Section 62 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001";

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- 8 (q) **National Power Corporation (NPC)** refers to the government corporation 9 created under Republic Act No. 6395, otherwise known as "An Act Revising the 10 Charter of the National Power Corporation" as amended, and whose additional 11 mandate is further set in Republic Act No. 9136, otherwise known as the 12 "Electric Power Industry Reform Act of 2001";
- (r) Other Distribution Entities refer to entities that own, operate, or control
   one or more Distribution Systems in the main grid and off-grid other than
   Distribution Utilities such as but not limited to Qualified Third Parties and those
   under Management Contracts for the Conveyance of Electricity;
- (s) Owner or Operator of Power Lines refers to generation companies, the
   transmission owner and its concessionaire, Distribution Utilities, Other
   Distribution Entities, and entities which have ownership or responsibility for the
   operation and maintenance of Power Lines;
- (t) Philippine Coconut Authority (PCA) refers to the government agency
   created by Presidential Decree No. 961, otherwise known as the "Coconut
   Industry Code" as amended by Presidential Decree No. 1468, otherwise known
   as the "Revised Coconut Industry Code";
- (u) Philippine Electrical Code refers to the set of rules which provide for the
   safety in electrical installation, construction, operation and maintenance, and
   the utilization of electricity mandated under Republic Act No. 7920, otherwise
   known as the "New Electrical Engineering Law";
- (v) Philippine National Police (PNP) refers to the government agency created
   by Republic Act No. 6975, otherwise known as the "Department of the Interior
   and Local Government Act of 1990" as amended by Republic Act No. 8551,

otherwise known as the "Philippine National Police Reform and Reorganization Act of 1998";

- (w) Professional Regulation Commission (PRC) refers to the government agency created by Republic Act No. 8981, otherwise known as the "PRC Modernization Act of 2000";
- 8 (x) **Power Lines** refer to Transmission Lines, Sub-transmission Lines, Distribution 9 Lines, and generation dedicated point to point lines, and other connection 10 assets including the poles and towers used to support the lines, and other 11 related facilities constructed or erected used for the purpose of Conveyance of 12 Electricity;
- (y) Power Line Obstruction refers to any Hazardous Activity or Hazardous
   Improvement and other similar circumstances that threaten or endanger the
   continuous and uninterrupted Conveyance of Electricity;
- 17 (z) Sub-transmission Lines refer to the portion of the Sub-Transmission System
   18 pertaining to the lines or wires;
- (aa) Sub-Transmission System refers to the portion of the Distribution System
   that is delineated by the connection point to the Transmission System and the
   primary side of all substation transformers;
- (bb) Tall Growing Plants refer to plants, vines, and other plant species, which
   grow or have the potential to grow more than three (3) meters in height from
   the ground;
- (cc) Transmission Lines refer to the portion of the Transmission System referring
   to the lines or wires; and
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(dd) Transmission System refers to the high voltage backbone system of
 interconnected Transmission Lines, substations and related facilities, located in
 each of Luzon, Visayas, and Mindanao, or as may be otherwise determined by
 the ERC in accordance with Section 45 of Republic Act No. 9136, otherwise
 known as the "Electric Power Industry Reform Act of 2001".

Section 5. Power Line Corridor. – The land beneath, the air spaces surrounding, and the area traversed by Power Lines including its horizontal, vertical, and similar clearance requirements shall constitute the Power Line Corridor, which shall at all times be kept clear and free from any Power Line Obstructions, Dangerous Structures, Hazardous Activities and Improvements, and other similar circumstances in accordance with the provisions of this Act.

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9 The horizontal, vertical, and other similar clearance requirements that constitute the 10 Power Line Corridor shall be determined by the Board of Electrical Engineering and 11 approved by the Department of Energy, and shall be in accordance with the current 12 Philippine Electrical Code.

In case where the Power Line Corridor is wholly or partially located within a private 14 property not owned by the Owner or Operator of the Power Lines, it shall constitute a 15 legal easement upon the private property in accordance with the relevant provisions 16 17 under Book II, Title VII, Chapter 2 of the Civil Code, except if the Owner or Operator of the Power Lines shall acquire, lease or enter into other gratuitous or onerous 18 arrangement with the property owner. In the case of legal easement, the owner of the 19 private property shall be compensated the proper Easement Fee pursuant to the 20 21 provisions of the Civil Code and other relevant laws, rules, and regulations.

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SECTION 6. Prohibited Acts. – It is hereby declared unlawful for any person,
 whether natural or juridical, public or private, to:

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- (a) Plant or cause to be planted Tall Growing Plants of whatever kind or variety
   within the Power Line Corridor;
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(b) Construct or erect any Hazardous Improvements within the Power Line Corridor;

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(c) Conduct or perform any Hazardous Activities within the Power Line Corridor;

(d) Prevent or refuse, without reasonable cause, duly authorized agents of the
 Owner or Operator of Power Lines, entry to the property in the performance of
 acts enumerated under Section 7: *Provided,* that such entry is in accordance
 with the provisions of Section 8; and

(e) Perform other analogous acts or activities, which will impair the Conveyance of Electricity and cause damage to Power Lines.

SECTION 7. Prevention and Removal of Power Line Disturbance on Public Property or on Property Owned by Owner or Operator of Power Lines. – In cases where the Power Line Corridor is wholly or partially located within public property or on property owned by the Owner or Operator of the Power Lines, the Owner or Operator of Power Lines shall have the right to enter the said property to prevent and remove any Power Line Obstruction, and in particular, perform the following acts:

- (a) To conduct maintenance and inspection activities within the Power Line
   Corridor;
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- 14 (b) To conduct repair or restoration activities within the Power Line Corridor;
- (c) To conduct trimming, pruning, cutting, or clearing activities for Tall Growing
   Plants within the Power Line Corridor without securing prior clearance or permit
   from, but with due notice to, the Department of Environment and Natural
   Resources, Philippine Coconut Authority in the case of coconut trees, and the
   concerned Local Government Units;
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- (d) To remove, dismantle, or demolish Hazardous Improvements in accordance
  with Republic Act No. 6541, otherwise known as the "National Building Code of
  the Philippines": *Provided,* That such acts may be carried out without prior
  clearance or permit from, but with due notice to, the Department of Public
  Works and Highways, Housing and Land Use Regulatory Board, and the
  concerned Local Government Units;
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- 29 (e) To stop, prevent, or prohibit the conduct of Hazardous Activities; and
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- (f) Perform other analogous acts or activities, which will cause the prevention and
   removal of any Power Line Obstruction.

## 33 SECTION 8. Prevention and Removal of Power Line Obstruction on Private

34 **Property.** – The Owner or Operator of Power Lines shall have the primary duty and 35 responsibility to remove Power Line Obstructions. In cases where the Power Line Corridor is wholly or partially located within a private property, the property owner shall
 coordinate and assist the Owner or Operator of the Power Lines by facilitating the
 necessary access in order to perform the acts enumerated in Section 7.

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The property owner shall have the primary duty and responsibility to prevent Power Line Obstructions and to inform the Owner or Operator of the Power Line of their existence. In the performance of these acts, the property owner shall be entitled to necessary assistance such as but not limited to education and information, and technical and manpower support from the Owner or Operator of Power Lines.

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In the event that the property owner fails to perform any duty and responsibility under the preceding paragraphs, the Owner or Operator of the Power Lines shall have the right to access the Power Line Corridor in order to undertake the acts enumerated under Section 7: *Provided,* That entry to private property may only be effected after due notice to, and proper coordination with the property owner: *Provided however,* That the foregoing shall no longer be required to avert an imminent danger posed by a Power Line Obstruction in accordance with Article 432 of the Civil Code.

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SECTION 9. Assistance from Local Government Units, Philippine National Police, and Armed Forces of the Philippines. – In the performance of the acts under Sections 7 and 8, the Owner or Operator of the Power Lines may seek the assistance of Local Government Unit officials, the Philippine National Police, and the Armed Forces of the Philippines, as may be deemed necessary.

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SECTION 10. Information, Education, and Communication. – The Owner or Operator of the Power Lines shall have the duty and responsibility to inform, educate, and communicate to individuals and communities in the areas it serves the danger of existing Power Line Obstructions, the urgency of removing them, the manner of preventing them, and other important related information.

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SECTION 11. Resettlement. – Persons residing in Hazardous Improvements shall be
 relocated in accordance with Republic Act No. 7279, otherwise known as the "Urban
 Development and Housing Act of 1992" as amended.

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SECTION 12. Gathering, Collecting, and Removing of Lumber. – Gathering,
 collecting, removing, and transporting timber, forest products, and coconut lumber as a
 result of acts performed under Section 7 and Section 8 shall not be considered illegal

acts: *Provided,* That due notice is given to the Department of Environment and Natural
 Resources and the Philippine Coconut Authority in the case of coconut lumber.

SECTION 13. Permits. – Building officials of Local Government Units shall require the building owner who will be undertaking construction or maintenance activities surrounding, adjacent, or proximate to the Power Line Corridor to give due notice to, and coordinate with the concerned Owner or Operator of the Power Lines prior to the issuance of a building permit.

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SECTION 14. Penalties. – Without prejudice to civil and administrative liability, the following penalties shall be imposed upon any person, both natural and juridical, found guilty of committing any of the prohibited acts specified in Section 6 of this Act:

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(a) First Offense – the penalty of *arresto mayor* or a fine of fifty thousand pesos
 (PhP 50,000.00), or both, at the discretion of the court; and

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(b) Second Offense – the penalty of *prision correccional* or a fine of one hundred
 thousand pesos (PhP 100,000.00), or both, at the discretion of the court; and

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(c) Third Offense – the penalty of *prision mayor* or a fine of two hundred thousand
 pesos (PhP 200,000.00), or both, at the discretion of the court.

If the offenses are committed by or in conspiracy with an officer or employee of the Owner or Operator of the Power Line, such officer or employee shall suffer a penalty one (1) degree higher than the penalty provided herein.

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The local building official who issued a building permit in violation of Section 13 of this Act shall be meted a penalty one (1) degree higher than the penalty provided herein and shall forthwith suffer the penalty of dismissal.

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30 SECTION 15. Congressional Oversight. – The Joint Congressional Power
 31 Commission shall exercise oversight powers over implementation of this Act.

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SECTION 16. Implementing Rules and Regulations. – The Department of Energy
 shall, in consultation with the National Electrification Administration, National Power
 Corporation, Board of Electrical Engineering, National Transmission Commission,
 Department of Public Works and Highways, National Housing Authority, Housing and

Land Use Regulatory Board, Housing and Urban Development Coordinating Council, Department of Environment and Natural Resources, Philippine Coconut Authority, National Commission on the Indigenous Peoples, Philippine National Police, Armed Forces of the Philippines, electric power industry stakeholders, and private stakeholders issue the implementing rules and regulations of this Act within ninety (90) days upon its effectivity.

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SECTION 17. Separability Clause. – Any portion or provision of this Act, which may
 be declared unconstitutional or invalid shall not have the effect of nullifying other
 portions or provisions hereof.

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**SECTION 18.** Repealing Clauses. – The relevant provisions of Presidential Decree No. 705, as amended, otherwise known as the "Revised Forestry Code of the Philippines", Republic Act No. 8048, as amended, otherwise known as the "Coconut Preservation Act of 1995", and Republic Act No. 7279, as amended, otherwise known as the "Urban Development and Housing Act of 1992" are hereby amended. All other laws, ordinances, rules, regulations and other issuance or parts thereof, which are inconsistent with this Act, are hereby amended, modified, or repealed accordingly.

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SECTION 19. Effectivity Clause. – This Act shall take effect fifteen (15) days after
 its publication in at least two (2) newspapers of general circulation.

22 Approved,