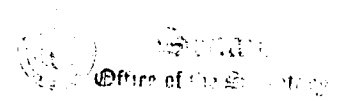
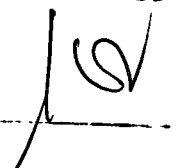


NINETEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)



24 FEB 28 P2:35

SENATE
S.B. No. 2580

RECEIVED BY 

Introduced by: Senator Raffy T. Tulfo

AN ACT
EXTENDING THE CORPORATE LIFE OF THE POWER SECTOR ASSETS AND
LIABILITIES MANAGEMENT CORPORATION, AMENDING FOR THE PURPOSE
SECTION 50 OF REPUBLIC ACT NO. 9136, OTHERWISE KNOWN AS THE
"ELECTRIC POWER INDUSTRY REFORM ACT OF 2001"

Explanatory Note

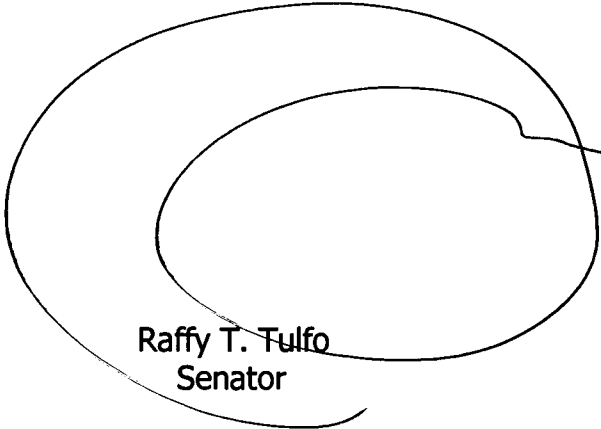
The passage of Republic Act No. 9136, or the Electric Power Industry Reform Act (EPIRA), helped ensure the restructuring of the power sector through the creation of the Power Sector Assets and Liabilities Management (PSALM) Corporation. As a wholly-owned and controlled government institution, PSALM Corp. was mandated to manage the orderly sale and privatization of assets that belonged to the National Power Corporation (NPC).

Seen as the key to dismantling the government's monopoly in the energy sector and to promote competition, PSALM Corp.'s objective was to liquidate the NPC's financial obligations, such as their existing generation assets, independent power producer (IPP) contracts, real estate, and other disposal assets such as the National Transmission Corporation's transmission business.

As mandated in the EPIRA, PSALM Corp. has a corporate life of 25 years that is set to expire on June 26, 2026. This proposed measure aims to extend the corporate life of PSALM for twenty-five (25) more years. By extending PSALM's corporate life, the latter may be able to manage its remaining contractual obligations whose term would end beyond June of 2026; this includes a proposed NPC property in Diliman

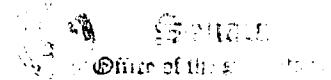
Quezon City and the rehabilitation project of the Agus-Pulangi Hydropower Complex, both significant endeavors that benefit from the extension of PSALM Corp.'s corporate life.

In view of the foregoing, the approval of this bill is urgently sought.



Raffy T. Tulfo
Senator

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



24 FEB 28 P2:37

SENATE
S.B. No. 2580

RECEIVED

Introduced by: Senator Raffy T. Tulfo

AN ACT
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SECTION 50 OF REPUBLIC ACT NO. 9136, OTHERWISE KNOWN AS THE
"ELECTRIC POWER INDUSTRY REFORM ACT OF 2001"

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

1 Section 1. Section 50, Chapter VI of Republic Act No. 9136, otherwise known
2 as the "Electric Power Industry Reform (EPIRA) Act of 2001", is hereby amended to
3 read as follows:

4 "SEC. 50. *Purpose and Objective, Domicile and Term of Existence.* – The
5 principal purpose of the PSALM Corp. is to manage the orderly sale, disposition
6 assets, and privatization of NPC generation assets, real estate, and other
7 disposable assets, and IPP contracts with the objective of liquidating all NPC
8 financial obligations and stranded contract costs in an optimal manner.

9 The PSALM Corp. shall have its principal office and place of business within
10 Metro Manila.

11 The PSALM Corp. shall exist for a period of [~~twenty-five (25)~~] **FIFTY (50)**
12 years from the effectivity of this Act, unless otherwise provided by law, and all
13 liabilities outstanding upon the expiration of its term of existence shall revert
14 to and be assumed by the National Government."

1 *Sec. 2. Repealing Clause.* – All other laws, decrees, executive orders, issuances,
2 rules and regulations, or part thereof inconsistent with this Act are hereby likewise
3 repealed or amended accordingly.

4 *Sec. 3. Separability Clause.* – If, for any reason, any section or provisions of
5 this Act is declared unconstitutional or invalid, the other sections or provisions not
6 affected thereby shall remain in full force and effect.

7 *Sec. 4. Effectivity Clause.* – This Act shall take effect after fifteen (15) days
8 upon publication in at least two (2) newspapers of general circulation.

Approved,