

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

7 JUL 16 1954

SENATE

S.B. No. 1225

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Introduced by SENATOR JUAN PONCE ENRILE

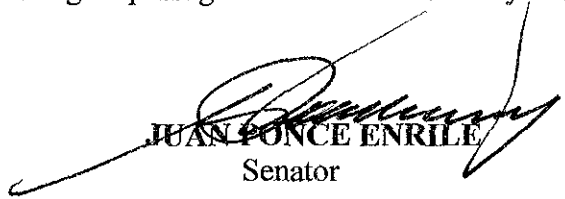
EXPLANATORY NOTE

Republic Act 9136, otherwise known as the "Electric Power Industry Reform Act", mandates that the obligations of generation companies and energy source or resource developers to communities that host energy generating facilities be complied with in accordance with the implementing rules and regulations and other applicable orders and circulars of the Department of Energy.

However, this system of administering said financial benefits by the Department of Energy has proven to be ineffective, causing delays in the availment and release of funds to host communities. In order to expedite the remittance of the financial benefit that independent power producers, generation companies and/or energy resource developers are required to set aside and remit to the affected host communities, this proposed measure directs the said entities to remit these benefits directly to the communities concerned.

Through this amendment to the EPIRA, it is expected that resettlement areas, local government units and regions will receive the remuneration they are entitled to at a more opportune time, thus, allowing the immediate implementation of their development projects. Local governments shall be strengthened and will promote greater decentralization.

In view of the foregoing, the urgent passage of this bill is earnestly sought.


JUAN PONCE ENRILE
Senator

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**AN ACT
REQUIRING ALL INDEPENDENT POWER PRODUCERS, GENERATION
COMPANIES OR ENERGY RESOURCE DEVELOPERS TO REMIT THE
AMOUNT THEY ARE REQUIRED TO SET ASIDE AS FINANCIAL BENEFIT
DIRECTLY TO THE HOST COMMUNITIES**

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

1 **SECTION 1.** All independent power producers, generation companies or energy
2 resource developers, whether publicly or privately owned, shall remit directly to the local
3 government units or other host communities the benefits they are required to set aside as
4 financial benefit to host communities pursuant to Section 66 of Republic Act No. 9136,
5 otherwise known as the "Electric Power Industry Reform Act of 2001", as defined in
6 Sections 289 to 294, Chapter 11 of Republic Act No. 7160, otherwise known as the
7 "Local Government Code of 1991": the benefits defined in Section 5(i) of Republic Act
8 No. 7638, otherwise known as the "Department of Energy Act of 1992" and Rule 29 of
9 Energy Regulations No. 1-94.

10
11 **SEC. 2.** The use of the aforesaid amounts remitted by independent power
12 producers, generation companies or energy resource developers to the host communities
13 concerned shall remain subject to the guidelines set by the Department of Energy.

14
15 **SEC. 3.** All laws, presidential decrees, executive orders, letters of instruction,
16 rules and regulations or parts thereof inconsistent with the provisions of this Act are
17 hereby repealed or modified accordingly.

18
19 **SEC. 4.** This Act shall take effect immediately upon its complete publication in at
20 least two newspapers of general circulation.

21
22 *Approved,*