

6 JUL 27 1990

**THIRTEENTH CONGRESS OF THE REPUBLIC)  
OF THE PHILIPPINES  
Third Regular Session**

RECEIVED BY *JB*

**SENATE**

**Senate Bill No. 2417**

---

**Introduced by Senator Ramon Magsaysay, Jr.**

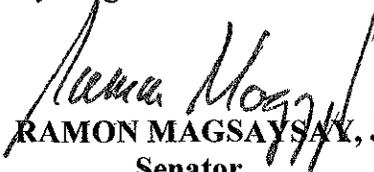
---

**EXPLANATORY NOTE**

The 1987 Constitution promotes local autonomy. Towards this end, the fundamental law mandates local government units to create its own sources of revenues in consonance with right to an equitable share in the proceeds of the utilization and development of the national wealth within their respective areas, in the manner provided by law, including sharing the same with the inhabitants by way of direct benefits.

Pursuant to this mandate, Congress passed several measures, among which are the Electric Power Industry Reform Act of 2001, the Department of Energy Act of 1992, and the Local Government Code of 1991. The pertinent provisions of these laws, however, fail to realize the expediency of sharing the benefits brought about by the proceeds of these revenues directly to the inhabitants of the concerned local government unit. This bill thus seeks to expedite the enjoyment by the inhabitants concerned the benefits from the proceeds of energy related project within a given locality. It introduces amendments to the aforementioned laws.

Passage of this bill is therefore earnestly sought.

  
**RAMON MAGSAYSAY, JR.**  
Senator

6 JUL 27 1976

**THIRTEENTH CONGRESS OF THE REPUBLIC)  
OF THE PHILIPPINES )  
Third Regular Session**

RECEIVED BY: Jy

**SENATE**

**Senate Bill No. 2417**

---

**Introduced by Senator Ramon Magsaysay, Jr.**

---

**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:*

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

**SECTION 2.** The use of the aforesaid amounts required by independent power producers, generation companies or energy resource developers to the host communities concerned shall remain subject to the guidelines set by the Department of Energy.

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

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

Approved.