Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

COMMITTEE REPORT NO. 481

Submitted by the Committee on Energy on AUG. 29 2020
Re: House Resolution No. 1173
Recommending its adoption, in substitution of House Resolution No. 324
Sponsors: Representatives Lord Allan Q. Velasco and Juliette T. Uy

Mr. Speaker:

The Committee on Energy, to which was referred House Resolution No. 324, authored by Representative Juliette T. Uy, entitled:

A RESOLUTION
URGING THE DEPARTMENT OF ENERGY TO DIRECTLY REMIT TO THE MUNICIPALITY OF VILLANUEVA ITS EQUITABLE SHARE IN THE PROCEEDS OF THE UTILIZATION OF THE NATIONAL WEALTH BY THE INDEPENDENT POWER PRODUCERS LOCATED IN AND HOSTED BY THE LOCAL GOVERNMENT UNIT

has considered the same and recommends the adoption of House Resolution No. 1173, entitled:

RESOLUTION
URGING THE DEPARTMENT OF ENERGY (DOE) TO DIRECTLY REMIT TO THE MUNICIPALITY OF VILLANUEVA, PROVINCE OF MISAMIS ORIENTAL, ITS EQUITABLE SHARE IN THE PROCEEDS OF THE UTILIZATION OF THE NATIONAL WEALTH BY THE INDEPENDENT POWER PRODUCERS (IPP's) LOCATED IN AND HOSTED BY THE LOCAL GOVERNMENT UNIT (LGU)

in substitution of House Resolution No. 324 with Representatives Juliette T. Uy and Lord Allan Q. Velasco, as authors thereof.

Respectfully submitted:

[Signature]

LORD ALLAN Q. VELASCO
Chairman
Committee on Energy

The HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE RESOLUTION NO. 1173
(In substitution of House Resolution No. 324)

Introduced by Representatives Juliette T. Uy and Lord Allan Q. Velasco

RESOLUTION

URGING THE DEPARTMENT OF ENERGY (DOE) TO DIRECTLY REMIT TO THE MUNICIPALITY OF VILLANUEVA, PROVINCE OF MISAMIS ORIENTAL, ITS EQUITABLE SHARE IN THE PROCEEDS OF THE UTILIZATION OF THE NATIONAL WEALTH BY THE INDEPENDENT POWER PRODUCERS (IPPS) LOCATED IN AND HOSTED BY THE LOCAL GOVERNMENT UNIT (LGU)

WHEREAS, Section 7, Article X, of the Constitution of the Republic of the Philippines entitles local governments 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;

WHEREAS, Sections 289 to 294 of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991," mandates that local governments shall have an equitable share in the proceeds derived from the utilization and development of the national wealth within their respective areas;

WHEREAS, Section 5(i) of Republic Act No. 7638, otherwise known as the "Department of Energy Act of 1992," implements the spirit and intent of Section 7, Article X, of the Constitution and Sections 289 to 294 of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991," by mandating the Department of Energy (DOE) to devise ways and means to give direct, equitable and preferential benefits to the province, city, municipality and community that host the energy resource and generating facilities: Provided, That the other provinces, cities, municipalities or regions shall not be deprived of their energy requirements;

WHEREAS, Section 66 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2000," reaffirms the mandates and obligations of generation companies and energy resource developers to communities hosting energy generating facilities and energy resource developers as defined in Sections 289 to 294 of Republic Act No. 7160 and Section 5(i) of Republic Act No. 7638;

WHEREAS, Chapter 2 of Energy Regulation No. 1-94 entitled, "Rural Power Projects" was issued by the DOE in 1994 to implement the pertinent provisions of Republic Acts No. 7160, 7638 and 9136;
WHEREAS, the Municipality of Villanueva, Province of Misamis Oriental, being the host community for independent power producers (IPPs), is the direct beneficiary of such equitable shares from the utilization of the national wealth through a continuing electrification project by the DOE, implemented under Energy Regulation No. 1-94;

WHEREAS, the Municipality of Villanueva, Province of Misamis Oriental, shall use the funds only for electrification programs and shall exercise complete control on the disbursement of funds in the implementation of the locality's electrification project;

WHEREAS, any unutilized funds arising from the completion of the electrification projects in the Municipality of Villanueva, Province of Misamis Oriental, shall be extended to other LGUs who are in need of such funds for their own electrification projects.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to urge the DOE to directly remit to the Municipality of Villanueva, Province of Misamis Oriental, its equitable share in the proceeds of the utilization of the national wealth by the IPPs located and hosted by the LGU.

Adopted,