



Republic of the Philippines
PROVINCE OF BOHOL
City of Tagbilaran



PROVINCIAL DEVELOPMENT COUNCIL

EXCERPT FROM THE MINUTES OF THE MEETING OF THE PROVINCIAL DEVELOPMENT COUNCIL EXECUTIVE COMMITTEE (PDC EXECOM) HELD ON SEPTEMBER 28, 2023 AT THE PROVINCIAL PLANNING AND DEVELOPMENT OFFICE CONFERENCE ROOM

In Attendance:

Gov. Erico Aristotle C. Aumentado.....Chairman, Presiding Officer

and

Majority of the Members of the PDC Executive Committee

PDC EXECOM RESOLUTION NO. 68

A RESOLUTION FAVORABLY REQUESTING THE SANGGUNIANG PANLALAWIGAN (SP) OF BOHOL FOR THE PASSAGE OF A RESOLUTION AUTHORIZING THE HONORABLE GOVERNOR TO REPRESENT THE PROVINCIAL GOVERNMENT OF BOHOL (PGBH) IN ENTERING INTO AND SIGNING THE PROPOSED MEMORANDUM OF AGREEMENT (MOA) WITH THE STA. CLARA POWER CORPORATION – LOBOC 2 HYDROELECTRIC PLANT LOCATED IN BARANGAY GOTOZON, LOBOC, BOHOL REGARDING THE OPENING OF TRUST ACCOUNTS FOR THE IMPLEMENTATION OF ENERGY REGULATIONS NO. 1-94 UNDER SECTION 5(I) OF R.A. 7638 IN CONJUNCTION WITH RULE 29(A), SECTION 66 OF R.A. 9136

WHEREAS, Section 5 (i) of Republic Act No. 7638 (R.A. No. 7638), otherwise known as the “Department of Energy Act of 1992” mandates the Department of Energy (DOE) to devise ways and means of giving direct benefits to the province, city or municipality, specially the community and people affected and equitable and preferential to the region that Hosts the energy resource and/or the energy-generating facility;

WHEREAS, Energy Regulations No. 1-94 (ER 1-94) was promulgated by the DOE on 01 August 1994 to operationalize the implementation of section 5 (i) of R.A. No. 7638;

WHEREAS, Energy Regulations (“ER”) No. 1-94 implementing Section 5(i) of Republic Act No. 7638, otherwise known as the “Department of Energy Act of 1992”, grant financial benefits to the host communities of the energy-generation company and/or energy resources;

WHEREAS, Section 66 of R. A. No. 9136, otherwise known as the “Electric Power Industry Reform Act of 2001” and Rule 29(A) of its Implementing Rules and Regulations (EPIRA-IRR) require all energy generation companies (GenCos) and/or energy resource developers (ERDs) to provide financial benefits equivalent to one centavo per kilowatt-hour (P0.01/kWh) of the total electricity sales of the generation facility to the region, province, city or municipality and barangay that host the generation

facility and energy resource facility, as well as the establishment of corresponding trust accounts and the administration thereof by the DOE;

WHEREAS, in accordance with Republic Act No. 8371 (RA 8371) also known as “The Indigenous Peoples’ Rights Act of 1997”, the DOE promulgated Department Circular No. DC2018-03-0005 on 20 March 2018 recognizing the rights of the Indigenous Cultural Communities (ICCs) and Indigenous Peoples (IPs) to their ancestral domain and the natural resources therein and provides for reasonable share in the development and livelihood fund (DLF) and for the reforestation, watershed management, health and/or environment enhancement fund (RWMHEEF) components of the ER 1-94 funds;

WHEREAS, on 07 August 2018, DOE issued Department Circular No. DC2018-08-0021, amending for the purpose Rule 29 (A) of the EPIRA-IRR, to accelerate socio-economic development and to have a more effective and efficient utilization of the funds and to enforce the immediate provision of benefits to Host communities. In this regard, by virtue of the transition to an efficient distribution of funds, the Host Communities shall not withhold or delay issuance of the necessary permits required for the operations of the energy resource and/or energy-generating facility;

WHEREAS, pursuant to Section 6 of DC2018-08-0021 the financial benefit shall be allocated in the following manner:

“6.2. Twenty-five percent (25%) of one-centavo per kilowatt-hour (P0.0025/kWh) of the Electricity Sales for Development and Livelihood Fund (“DLF”); and Twenty-five percent (25%) of one centavo per kilowatt-hour (P0.0025/kWh) for Reforestation, Watershed Management, Health and/or Environment Enhancement Fund (“RWMHEEF”);

The DLF and RWMHEEF shall be allocated in the following manner:

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| 6.2.1. Community and People Affected | - 5% |
| 6.2.2. Host Barangay/s | - 20% |
| 6.2.3. Host Municipality/ies or City/ies | - 35% |
| 6.2.4. Host Province/s | - 30% |
| 6.2.5. Host ICCs/IPs | -5% |
| 6.2.6. Host Region | - 5% |

In the absence of Community and People Affected, funds allocated for the same shall form part of the fund for the Host Barangay.

In the absence of ICCs/IPs, the funds allocated for the same shall form part of the fund for the Host Region.”

WHEREAS, the accrued benefits derived in accordance with Section 6 of DC2018-08-0021 will eventually be translated into Annual Work Programs (AWP) of the Host province;

WHEREAS, the PGBh shall prepare and submit to the Sta. Clara Power Corporation – Loboc 2 Hydroelectric Plant the AWP which considers the promotion of rural development, upliftment of socio-economic conditions or addressing environmental concerns as provided in Section 10 of Circular No. DC2018-08-0021;

WHEREAS, the Local Government Code of 1991 mandates the Provincial Development Councils (PDC) to, among others, appraise, prioritize and coordinate the implementation of socio-economic programs and projects within its territorial coverage;

WHEREAS, the said proposed Memorandum of Agreement (MOA) defines the responsibilities of both parties and their mutual covenants considering the importance of electric power supply in the province as well as the benefits that will accrue to the PGBh from the Sta. Clara Power Corporation – Loboc 2 Hydroelectric Plant in relation to the implementation of the ER 1-94;

WHEREFORE, upon proper motion duly seconded, be it resolved by this Body in a meeting duly convened –


To favorably request the Sangguniang Panlalawigan (SP) of Bohol for the passage of a Resolution authorizing the Honorable Governor to represent the Provincial Government of Bohol (PGBh) in entering into and signing the proposed Memorandum of Agreement (MOA) with the Sta. Clara Power Corporation – Loboc 2 Hydroelectric Plant located in Barangay Gotozon, Loboc, Bohol regarding the opening of Trust Accounts for the implementation of Energy Regulations No. 1-94 under section 5(i) of R.A. 7638 in conjunction with rule 29(a), Section 66 of R.A. 9136

RESOLVED FURTHER, to furnish a copy of the same Resolution to the Sta. Clara Power Corporation – Loboc 2 Hydroelectric Plant and other concerned agencies for appropriate action.

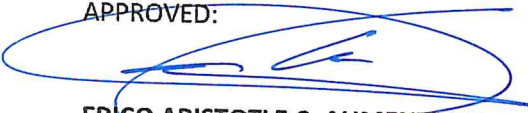
UNANIMOUSLY ADOPTED.

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I hereby certify to the correctness of the foregoing Resolution.


JOHN TITUS J. VISTAL
PPDC-Bohol
Head, PDC Secretariat

APPROVED:


ERICO ARISTOTLE C. AUMENTADO
Governor
Chairman, PDC-Bohol 