

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2950

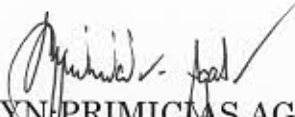
Introduced by Representative MARLYN PRIMICIAS-AGABAS

EXPLANATORY NOTE

The cost of electricity in the Philippines is one of the highest in Asia. The ASEAN Power Utilities Authorities reported in 2007 that on the average, the cost of electricity in the Philippines was about US 17.5 cents per kilowatt-hour, a cost higher by almost three times than that of the cost in Vietnam (5.38/kwh), Malaysia (7.67/kwh), Thailand (8.50/kwh) and Indonesia (7.77/kwh). The Department of Energy reported that the Philippines has the sixth highest industrial power rates in the world and the seventh highest in residential rates.

Considering that electricity is one of the most indispensable modern commodities affecting almost every aspect of human life, its prohibitive costs impact the hardest on low income-earners which comprise majority of our population. This is the reason why a ten percent discount (10%) on household electric rates consumption is envisioned by this bill. The discount would lessen the economic and social impact of high electric costs as well as directly recompense residents of host provinces from health and environmental hazards caused by the operations of geothermal, hydroelectric and coal-fired power plants in many areas around the country.

Hence, the immediate passage of this bill is earnestly sought.


MARLYN PRIMICIAS AGABAS
6th District, Pangasinan

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AN ACT
GRANTING TO RESIDENTS OF THE PROVINCE WHERE A GEOTHERMAL,
HYDROELECTRIC AND/OR COAL-FUELED PLANT IS LOCATED A TEN
PERCENT (10%) DISCOUNT ON THEIR POWER RATE CONSUMPTION

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

SECTION 1. Residents of the province where a geothermal, hydroelectric and/or coal-fueled power plant is located shall be entitled to a ten percent (10%) monthly discount on their power rate consumption, provided, that the discount shall apply only to all energy consumption of the household, excluding for transportation.

SECTION 2. Should there be two or more hydroelectric power plants, geothermal power plants or coal-fueled plants, or a combination of any of them which are located in the same province but owned and operated by different entities, the cost of the discount shall be borne by all of the operators proportionately, taking into consideration the power generation output, cost of generation and the environmental and health impacts of such operation to the residents, among others.

SECTION 3. The amount of the discount shall be regularly remitted by the operators of the hydroelectric, geothermal and/or coal-fueled power plants to distribution utilities who in turn reflect and deduct the same from the residents' monthly electricity billing statement.

SECTION 2. *Rules and Regulations.* – The Energy Regulatory Commission shall prescribe the necessary implementing rules and regulations within sixty (60) days upon the effectivity of this Act.

SECTION 3. *Repealing Clause.* – All laws, decrees, executive orders, presidential issuances and other administrative rules and regulations or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SECTION 4. *Effectivity.* – This Act shall take effect immediately after its publication in a newspaper of general circulation.

Approved,