

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session



HOUSE BILL NO. 6996

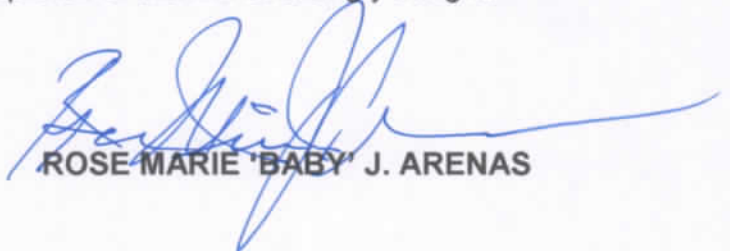
Introduced by Representative ROSE MARIE 'BABY' J. ARENAS

EXPLANATORY NOTE

The State recognizes energy as an essential element for the attainment of sustained national development and progress. To attain this objective, it is the policy of the State to provide a program of human resources development in energy sector to achieve and maintain the necessary reservoir of talent and human resources that will sustain its drive for accessible, affordable and sustainable electricity in various parts and sectors of the society.

It is the duty of the State to establish, promote and support programs leading to the realization of this objective, such as scholarship programs, improvement of the quality of energy education, popularization and sustainability of energy culture, and provision of incentives for pursuing careers in energy and its allied degree programs

In view of the foregoing, immediate approval of this Bill is strongly sought.


ROSE MARIE 'BABY' J. ARENAS

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6996

Introduced by Representative ROSE MARIE “BABY” J. ARENAS

AN ACT
PROVIDING FOR A MAGNA CARTA FOR WORKERS IN THE
ENERGY SECTOR OF THE PHILIPPINES, AUTHORIZING THE
COLLECTION AND APPROPRIATION OF FUNDS THEREFOR, AND
FOR OTHER PURPOSES

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

1 SECTION 1. **Title.** – This Act shall be known as the “Magna Carta for Workers
2 in the Energy Sector of the Philippines.”
3

4 SEC. 2. **Declaration of Policy.** – The State recognizes energy as an essential
5 element for the attainment of sustained national development and progress. To attain
6 this objective, it is hereby declared the policy of the State to provide for a program of
7 human resources development in energy sector to achieve and maintain the
8 necessary reservoir of talent and manpower that will sustain its drive for accessible,
9 affordable and sustainable electricity in various parts and sectors of the society.
10

11 The State shall establish, promote and support programs leading to the
12 realization of this objective, such as scholarship programs, improvement of the quality
13 of energy education, popularization and sustainability of energy culture, and provision
14 of incentives for pursuing careers in energy and its allied degree programs.
15

16 SEC. 3. **Definition of Terms.**
17

18 (a) Department – refers to the Department of Energy (DOE) created pursuant
19 to Republic Act No. 7638.

1 (b) Department's Attached Agencies – the attached agencies of the
2 Department shall include, but not limited to, the National Electrification
3 Administration (NEA), National Power Corporation (NPC), National
4 Transmission Corporation (TransCo), Philippine National Oil Company
5 (PNOC), and Power Sector Assets and Liabilities Management (PSALM).
6

7 (c) Energy Activities and Projects – all systematic activities and projects which
8 are closely concerned with the energy exploration, development,
9 generation, transmission, distribution, utilization and commercialization of
10 energy resources including the dissemination and application of scientific
11 and technical knowledge in all fields of energy such as, but not limited to,
12 coal mining, oil and petroleum, renewable energy, gas, alternative energy
13 technologies, bio-energy, electrification and all undertakings that are
14 necessary for the proper, effective and efficient implementation of the
15 Philippine Energy Plan (PEP) formulated by the Department duly approved
16 by the President of the Philippines.
17

18 (d) Energy Workers or Personnel – shall be composed of personnel as
19 classified below:
20

21 1.) Department's Workers – refers to all officials and personnel of the
22 Department who are directly responsible in the planning, formulation,
23 processing, execution, monitoring and evaluation of energy programs,
24 activities and projects including the Energy Training Institute;
25

26 2.) Department's Attached Agencies Workers - refers to all officials and
27 personnel of the Department's attached agencies who are directly
28 responsible in the planning, formulation, processing, execution,
29 monitoring and evaluation of energy programs, activities and projects
30 and as defined in their respective Charters; and
31

32 3.) Electrification Workers – refers to all officials and personnel of the
33 different Electric Cooperatives duly registered with the National
34 Electrification Administration and Cooperative Development Authority.
35 The personnel includes, among others, those with permanent or regular
36 employment, and those barangay electrification workers accredited and
37 outsourced workers hired by the Electric Cooperative concerned
38 pursuant to guidelines promulgated by the Department.

39 **SEC. 4. *Energy Career System.*** – A career system for energy personnel in
40 the service of the government shall be formulated by the Department in coordination
41 with the Civil Service Commission (CSC) and the Department of Budget and
42 Management.
43

1 **SEC. 5. *Classification of Energy Personnel.*** – Energy personnel may be
2 classified in the following categories:

- 3 (a) Energy managers, supervisors, policy-makers, and planners – Those who
4 are graduate degree holders or have at least ten (10) years of managerial
5 and supervisory experience or are performing executive, managerial,
6 planning and policy-making functions to effectively carry out the energy
7 related activities and projects as defined in Section 3(c) of this Act.

8
9 *Provided, That for personnel who occupy third level positions,*
10 comprised of above Division Chief to Undersecretary and their equivalents,
11 must be appointed by the President of the Philippines to the appropriate
12 Career Executive Service Officer (CESO) rank in accordance to the
13 pertinent policies and regulations promulgated by the Career Executive
14 Service Board (CESB);

- 15
16 (b) Members of the energy career system;

- 17
18 (c) Mining and petroleum engineers, geologists, engineers, scientists,
19 inspectors, and researchers. – Those who are at least undergraduate or
20 bachelor's degree holders in any of the engineering, law, public
21 administration, economics and its allied fields and are involved in the
22 conduct of inspections, enforcement, evaluation and monitoring of energy
23 activities and projects as defined under Section 3(c) of the act including
24 those engaged in research and development on energy sector; and

- 25
26 (d) Technicians and related energy personnel. – Those who obtained at least
27 twelve (12) units in public administration, engineering, sciences,
28 economics, social sciences, information and communication technology
29 (ICT) and allied technical/vocational courses or any appropriate training as
30 determined by the Secretary of the Department and are providing
31 administrative and support services to energy personnel enumerated in the
32 three (3) preceding sub-sections. The related energy personnel herein
33 shall also include those workers involved in the audit, enforcement,
34 evaluation and monitoring of the technical, financial, legal and socio-
35 economic aspects of any energy program, project and activities.

36
37 **SEC. 6. *Salaries.*** – The existing law on salary scales of government
38 employees shall not apply in determining the salary scale of energy personnel as
39 defined in Section 5 of this Act. A new salary scale shall be developed by the
40 Department in consultation with the Department of Budget and Management (DBM)
41 and the Civil Service Commission (CSC), subject to the approval of the President of
42 the Philippines.

43
44 **SEC. 7. *Other Benefits.*** – Notwithstanding Section 12 of Republic Act No.
45 6758, energy personnel defined under Section 5 of this Act shall receive the following:

- 46
47 (a) **Honorarium.** – Energy personnel who rendered services beyond the
48 established regular workload of managers or executives, mining and

1 petroleum engineers, geologists, engineers, scientists, researchers,
2 inspectors and technicians whose broad and superior knowledge,
3 expertise or professional standing in a specific field contributes to
4 productivity and innovativeness shall be entitled to receive honorarium
5 subject to rules to be set by the Department.
6

7 The Chairs, Vice Chairs, Members and Secretariat of governing
8 boards or technical committees of the Department created by law and
9 regulations such as, but not limited to, the National Renewable Energy
10 Board (NREB) and Renewable Energy-Review and Evaluation Committee
11 (RE-REC) under Republic Act No. 9513 and its Implementing Rules and
12 Regulations and its subsequent issuances, the National Biofuels Board
13 (NBB) under Republic Act No. 9367, Review and Evaluation Committee of
14 the Philippine Energy Contracting Round (REC-PECR) under Presidential
15 Decree No. 1442 and its subsequent issuances and implementing
16 guidelines, including that of the Department's attached agencies, shall be
17 entitled to reasonable honorarium as prescribed by the Department of
18 Budget and Management, and reimbursement of actual expenses incurred
19 for their attendance during meetings, seminars, conferences and official
20 functions subject to usual accounting and auditing rules and regulations.
21

- 22 (b) **Share from Government Shares, Fees and Charges from Supervision**
23 **and Regulation.** – Energy personnel shall be entitled to receive share from
24 government shares, fees and charges from supervision and regulation
25 subject to guidelines of the Department. The share from the government
26 shares shall be on a sixty percent-forty percent (60%-40%) basis in favor
27 of the government and the personnel involved in energy programs,
28 activities and projects which has been produced or undertaken during the
29 regular performance of their functions.
30

31 For the purpose of this Act, government share shall be defined as a
32 share in the proceeds of payments arising from the energy exploration,
33 development, generation, transmission, distribution, utilization and
34 commercialization of energy resources in various sectors while share in the
35 fees and charges from supervision and regulation in the downstream oil
36 industry shall refer to the sum charged and collected from
37 acknowledgements, applications, certifications, endorsements, processing
38 fees, violation fines/penalties and other reasonable payments in
39 connection with the enforcement of energy laws and implementation of
40 program, activities and projects in the downstream oil industry;
41

- 42 (c) **Hazard Allowance.** – Energy personnel involved in hazardous
43 undertakings or assigned in hazardous workplaces to conduct periodic
44 inspection, evaluation and monitoring of energy related projects and
45 activities shall be paid hazard allowances ranging from ten (10%) to thirty
46 (30%) percent of their monthly basic salary depending on the nature and
47 extent of the hazard involved. The following shall be considered hazardous
48 workplaces:

1 (1) Radiation-exposed laboratories and service workshops

2
3 (2) Remote/depressed areas

4
5 (3) Areas declared under a state of calamity or emergency

6
7 (4) Strife-torn or embattled areas

8
9 (5) Laboratories and other disease-infested areas

10
11 (6) Electrical machine and mechanical rooms

12
13 (7) Pressure vessels and other steam generating facilities

14
15 (8) Areas, establishments or energy and energy-related facilities where
16 energy personnel or inspectors are directly or imminently exposed to
17 hazardous vapors, products and toxic fumes (and substances) such as,
18 gasoline stations, oil depots, terminals, auto-LPG dispensing stations
19 and gas refilling plants

20 (d) **Subsistence Allowance.** – Energy personnel shall be entitled to full
21 subsistence allowance equivalent to three (3) meals a day, which may be
22 computed and implemented in accordance with the criteria to be provided
23 in the implementing rules and regulations. Those assigned out of their
24 regular work stations shall be entitled to per diem in place of the allowance;

25
26 (e) **Laundry Allowance.** – Energy personnel who are required to wear a
27 prescribed uniform during office hours shall be entitled to a laundry
28 allowance of not less than One hundred fifty pesos (Php150.00) a month;

29
30 (f) **Housing and Quarter Allowance.** – Energy Personnel who are on duty in
31 laboratories, energy research and development centers and other
32 government facilities shall be entitled to free living quarters within the
33 government facility where they are stationed: *Provided*, That the personnel
34 have their residence outside of the fifty (50)- kilometer radius from such
35 government facility;

36
37 (g) **Longevity Pay.** – A monthly longevity pay equivalent to five percent (5%)
38 of the monthly basic salary shall be paid to energy personnel for every five
39 (5) years of continuous and meritorious service as determined by the
40 Secretary of the Department;

41
42 (h) **Medical Examination.** – During the tenure of their employment, energy
43 personnel shall be given a compulsory free medical examination once a

year and immunization as the case may warrant. The medical examination shall include:

- (1) Complete physical examination
- (2) Routine laboratory, Chest X-ray and ECG
- (3) Psychometric examination
- (4) Dental Examination
- (5) Other indicated examination authorized by the Department Secretary

- (i) **Family and Home Visit Allowance.** – To further enhance the recruitment process and mobility of energy personnel, a monthly family and home visit allowance shall be provided to energy personnel comprised of free transportation during Saturdays and Sundays or Holidays only. *Provided,* That the personnel have their residence outside of the fifty (50)- kilometer radius from work assignment;
- (j) **Incremental Performance-Based Bonus.** – Energy personnel shall be provided of at least twenty (20%) percent additional performance-based bonus if the total annual agency accomplishment has surpassed by one hundred (100%) percent during the period covered as verified by the Department of Budget and Management;
- (k) **Collective Negotiation Agreement (CNA).** – Energy personnel right to freedom of association and collective negotiation shall be recognized including the grant of benefits thereof in accordance with applicable rules and regulations.
- (l) **Hardship Allowance.** – Energy workers who performed physical work performed in hazardous environments such as, the conduct of inspections, evaluation and monitoring of energy-related activities and projects be covered by Hardship Allowance of Five Hundred Pesos (Php500.00) per day; and
- (m) **Maternity Leave-** Subject to rules and regulations promulgated jointly by the Department and CSC, energy workers, both public and private, shall be granted of one hundred (150) days leave, with full pay based on average weekly or regular wages, regardless if the delivery was normal or caesarian.

Subject to the approval by the Department Secretary, an additional maternity leave of thirty (30) days, without pay, can be availed of, at the option of the employee.

1 **SEC. 8. *Non-Department Personnel.*** – Energy personnel not employed by
2 the Department such as, but not limited to, the personnel of the Affiliated Energy
3 Centers (AECs), comprised of State Universities and Colleges (SUCs), government
4 research and development institutions or consortium thereof, duly accredited by the
5 Department in accordance with its relevant policies and guidelines who are involved
6 in energy activities and projects including the officials and faculty members of State
7 Universities and Colleges under Section 10 of this Act, may avail of the benefits under
8 this Act upon certification of the Secretary of the Department.

9
10 The existing Affiliated Renewable Energy Centers (ARECs), in good standing,
11 may be converted to AECs subject to the appropriate guidelines, qualifications,
12 requirements and processes to be issued by the Department Secretary.

13
14 **SEC. 9. *Scholarships and Grants.*** – Energy personnel in public and private
15 sectors shall be entitled to avail of scholarship benefits and grants pursuing
16 undergraduate, graduate, post-graduate or training courses in accordance with a
17 Scholarship Program to be implemented by the Department. Grantees of the program
18 may study within the Philippines or abroad provided that the Department shall provide
19 strict measures to ensure their return to the country to render the service obligation.

20
21 Recipients of undergraduate scholarships shall, after graduation, be required
22 to render service in the government for the equivalent number of years that they
23 availed of their scholarships

24
25 Scholarship privileges may be on a full-time or part-time basis and shall include
26 tuition fee, book allowance, transportation allowance, monthly stipend, dissertation
27 grants, insurance and the payment of regular salary and other benefits.

28
29 For this purpose, the Human Resource Development Council created under
30 Republic Act No. 8248 shall formulate the rules and regulations to implement the
31 Scholarship Program provided in this Act.

32
33 **SEC. 10. *Offering of Energy Related Degree Programs and Trainings in***
34 ***Higher Education Institutions.*** To further enhance the implementation of the
35 policies under Section 2 of this Act, offering of energy related degree programs shall
36 be mandatory to State Universities and Colleges (SUCs) with mandates and
37 curricular offerings or programs provided in their respective Charters that include,
38 among others, energy, geology, science and technology. Other State Universities and
39 Colleges including private higher education institutions shall also be encouraged to
40 offer energy related degree programs.

41
42 To fully implement this provision, SUCs offering energy related programs shall
43 be entitled to automatic additional budget of not less than five (5%) percent of their
44 respective annual appropriations to be used for the personnel services, MOOE and
45 capital outlay necessary to ensure sustainability of the energy related degree
46 programs in their respective schools. Furthermore, the Secretary of the Department
47 or his/her authorized representative shall be member of the governing board of SUCs
48 and private institutions offering energy related programs to ensure that it shall be

1 complementary and contributory to the Philippine Energy Plan and thrusts of the
2 national government. The Secretary or his/her duly authorized representative shall
3 be entitled to the rights and privileges of a regular member of the governing board
4 pursuant to Republic Act No. 8292, otherwise known as the "Higher Education
5 Modernization Act of 1997" and the charters of SUCs or by-laws and policies of the
6 private higher education institutions concerned.

7
8 **SEC. 11. *Establishment, Management and Operations of the Energy***
9 ***Training Institute (ETI).*** The Department shall establish, manage and operate
10 Energy Training Institute (ETI) hereinafter referred to as Institute, in any of the offices
11 of the DOE and its attached agencies and/or in various locations as the Board may
12 determine, to cater the professional, technical, administrative or managerial and
13 executive enhancement and training needs of the energy personnel and interested
14 individuals in the energy sector.

15
16 The Institute is mandated to offer short-term technical, scientific, vocational,
17 supervisory, managerial and executive courses and trainings in energy such as, but
18 not limited to, coal mining, oil and petroleum, renewable energy, gas, alternative
19 energy technologies, bio-energy, electrification and other skills and competency
20 enhancements as the Board may deem it proper.

21
22 A Board of Trustees of the Energy Training Institute is hereby created
23 hereinafter referred to as the ETI-BOT or Board composed of the Department
24 Secretary or his authorized representative not lower than an Assistant Secretary as
25 Chairman and Presiding Officer, Secretary/ies or their respective representatives not
26 lower than Assistant Secretaries or their equivalents of the Technical Education and
27 Skills Development Authority (TESDA), Department of Science and Technology
28 (DOST), Department of Trade and Industry (DTI), Commission on Higher Education
29 (CHED), and Department of Labor and Employment (DOLE), the President of the
30 Employees Association of the Department, and at least three (3) private sector
31 representatives appointed by the President of the Philippines, as members.

32
33 The Board shall serve as the highest policy-making body of the Institute and
34 shall discharge the following powers and duties:

- 35
- 36 1. To promulgate and implement policies in accordance with the declared
37 State policies, thrusts and priorities in the Philippine Energy Plan;
 - 38
 - 39 2. To promulgate rules and regulations not contrary to law as may be
40 necessary to carry out the purposes and functions of the Institute;
 - 41
 - 42 3. To receive and appropriate all sums as may be provided for the support of
43 the Institute in the manner it may determine in its discretion, in order to
44 carry out the purposes and functions of the Institute;
 - 45 4. To import economic, technical books and/or publications, equipment and
46 other technologies necessary in the delivery of training course and
47 programs;
 - 48

1 5. To receive in trust legacies, gifts and donations of real and personal
2 properties of all kinds and to administer and dispose of the same when
3 necessary for the benefit of the Institute and subject to the limitations,
4 directions and instructions of the donor, if any;

5
6 6. To fix fees and other necessary charges such as, but not limited to,
7 matriculation fees, graduation fees and laboratory fees, as the Board may
8 deem proper to impose. Such fees and charges, including government
9 subsidies and other income generated by the Institute, shall constitute
10 special trust funds and shall be deposited in any authorized government
11 depository bank, and all interests that shall accrue therefrom shall form part
12 of the same funds for the use of the Institute.

13
14 Any provision of existing laws, rules and regulations to the contrary
15 notwithstanding, any income generated by the Institute from fees and other
16 charges, shall be retained by the Institute, and may be disbursed by the
17 Board of Trustees for instruction, maintenance, capital outlay, salaries,
18 honorarium and benefits of the Officials, trainers, fellows and employees of
19 the Institute.

20
21 7. To authorize the construction or repair of its buildings, machinery,
22 equipment and other facilities, and the purchase and acquisition of real
23 property, including necessary supplies, materials and equipment;

24
25 8. To appoint and prescribe the duties and functions, upon recommendation
26 of the Executive Director, Deputy Executive Directors, Program Managers,
27 Trainers, Fellows and Employees of the Institute;

28
29 9. To fix and adjust salaries and terms of office of the Executive Director,
30 Deputy Executive Directors, Trainers, Fellows and administrative officials
31 and employees, subject to the provision of this Act, and such other duties
32 and conditions as it may deem proper; to grant them, at its discretion,
33 leaves of absence under such regulations as it may promulgate, any
34 provision of existing law to the contrary notwithstanding; and to remove
35 them for cause in accordance with the requirements of due process of law;

36
37 10. To approve the curricula, instructional programs and rules of discipline
38 drawn by the Executive Director;

39
40 11. To set policies on admission and completion of trainees and clients;

41
42 12. To delegate any of its powers and duties provided for hereinabove to the
43 Executive Director and/or other officials of the Institute as it may deem
44 appropriate, so as to expedite the administration of the affairs of the
45 Institute;

46
47 13. To collaborate or develop consortia and other economic forms of linkages
48 with local government units (LGUs), energy contractors/operators,

institutions and agencies, both public and private, local and foreign, in the furtherance of the purposes and objectives of the Institute; and

14. To set up the adoption of modern and innovative modes of transmitting knowledge such as the use of information technology, the dual learning system, open or distance education and community laboratory for the promotion of greater access to the trainings and services of the Institute.

The Institute shall be headed by an Executive Director and assisted by Deputy Executive Directors for Programs, Operations, and Research and Development and/or such other fields as the BOT may deem it necessary.

The Executive Director shall render full-time service and shall be appointed by the Board, subject to the guidelines, qualifications and standards set by the Board, upon recommendation of a duly constituted search committee. The Executive Director shall have a term of six (6) years and shall be eligible for reappointment for another term subject to the qualifications and requirements promulgated by the Board. The Board shall have the power to designate Officer-in-Charge or officials in Acting capacity in case of vacancy and/or pending the appointment of the regular official/s concerned.

The Chair and members of the Board shall not receive any salary but shall be entitled to reasonable honorarium and reimbursements for actual and necessary expenses incurred, either in their attendance to meetings of the Board or in connection with other official business authorized by resolution of the Board, subject to existing laws and regulations.

The Board shall regularly convene once every three (3) months. Whenever necessary, the Chairperson of the Board may call, upon three (3) days' prior written notice, a maximum of two (2) special meetings within the same period. A quorum of the Board shall consist of majority of all its members.

The importation of economic, technical and books or publications, equipment, apparatus and technologies, which is for economic, technical, vocational and scientific purposes, made by the Institute upon certification by the DOE, shall be exempt from customs duties in accordance with the provisions of the Tariff and Customs Code of the Philippines, as amended.

Donations in any form to the Institute shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

Such amount necessary for the implementation of this provision shall be incorporated in the annual budget of the Department.

SEC. 12. *Honorarium for Other Services.* – Mining and petroleum engineers, geologists, engineers, scientists, researchers, technologists, inspectors, technicians

1 and other energy officials and personnel shall be allowed to render consultancy
2 services to the private sector and shall be entitled to receive such honorarium that
3 may be paid to them by the private entity concerned. Such payments shall be over
4 and above their salary from the government during the period of the consultancy and
5 shall not be considered as double compensation: *Provided*, That the consultancy
6 work will not jeopardize or adversely affect the operations or activities of his/her
7 originating office or constitute conflict of interest of his/her duties and responsibilities
8 therein: *Provided, further*, That the Secretary of the Department approves such
9 consultancy.

10
11 **SEC. 13. *Detail to the Private Sector and Industry Immersion.*** –
12 Notwithstanding to the provisions of existing laws, officials, mining and petroleum
13 engineers, geologists, engineers, scientists, researchers, technologists, inspectors,
14 technicians and energy related personnel who are employed on a regular basis in the
15 government, whether or not they are conferred any rank under the Energy Career
16 System, shall hereby be allowed secondment to any private entity whenever such
17 services are required: *Provided*, That the duration of such service with a private entity
18 shall not exceed one (1) year: *Provided, further*, That the detail or secondment of said
19 personnel will not hamper or adversely affect the operations or activities of his/her
20 originating office or constitute conflict of interest of his/her duties and responsibilities
21 therein: *Provided, finally*, That the head of the agency approves such detail or
22 secondment.

23
24 During the period of such secondment, payment of the seconded employee
25 shall be borne by the seconding private entity covered by a contract. The period of
26 secondment shall be used in computing the retirement benefits but not for the
27 commutation of leave credits earned. Such secondment shall not likewise affect his
28 security of tenure nor result in the loss of seniority rights subject to guidelines on
29 secondment in the IRR of this Act.

30
31 **SEC. 14. *Exemption from the Attrition Law and Civil Service Rule on***
32 ***Nepotism.*** – Except for third level positions, appointment of energy personnel to
33 positions equivalent to salary grade ten (SG 10) and above shall not be covered by
34 the Attrition Law and Civil Service Commission (CSC) rule on nepotism in
35 consideration of the highly technical nature of these positions.

36
37 **SEC. 15. *Provision Against Double Benefits.*** – Energy personnel already
38 receiving the same benefits under any other law shall not be allowed to avail of the
39 benefits under this Act unless they submit in writing their intention to withdraw the
40 benefits already being received and opt for those provided hereunder.

41
42 **SEC. 16. *Highest Basic Salary Upon Retirement.*** – Upon retirement, the
43 energy personnel concerned shall automatically be granted one (1) position higher
44 than his/her current position and his/her retirement benefits shall be computed on the
45 basis of the equivalent salary of the next higher position/rank.

46
47 Upon retirement, the energy personnel concerned shall also be granted
48 retirement gratuity based on the total length of service (converted into gratuity

1 months) multiplied by the highest basic salary of the higher position/rank provided
2 above in accordance with the provisions of Republic Act No. 1616 or "An Act Further
3 Amending Section Twelve of Commonwealth Act Numbered One Hundred Eighty-
4 Six, as Amended, By Prescribing Two Other Modes of Retirement and For Other
5 Purposes."

6
7 *Provided, That the existing retirement benefits shall continually be applied*
8 *should the same be more higher or advantageous to the personnel concerned.*

9
10 **SEC. 17. *Prohibition Against Diminution and/or Elimination.*** – Nothing in
11 this law shall be construed to eliminate or in any way diminish benefits being enjoyed
12 by energy personnel at the time of the effectivity of this Act.

13
14 **SEC. 18. *Hiring of Retired Energy Personnel.*** An employee retired under
15 any existing law, who, in the judgment of the Secretary of the Department, possesses
16 managerial or technical qualifications and the capability to undertake energy related
17 activities, may be rehired on contractual basis without refunding the unexpired portion
18 of the gratuity and accumulated leave benefits received by him/her from the
19 Government: *Provided, That no qualified energy expert or applicant is available to*
20 *undertake said energy activities.*

21
22 **SEC. 19. *Government Scholars and Training Grantees.*** – Graduates or
23 grantees of government energy scholarship programs or trainings shall be given
24 temporary waiver of CSC eligibilities for at least two (2) years and preferential access
25 to financial grants from any government agency authorized to extend grants and
26 loans with easy terms from government financing institutes, for energy projects which
27 are viable and in line with the development thrust of the country.

28
29 **SEC. 20. *Enhancement of Corporate Social Responsibility (CSR)***
30 ***Programs in the Energy Sector.*** – The Department shall devise mechanism that
31 shall enhance the Corporate Social Responsibility (CSR) Programs of the energy
32 sector which shall redound to the benefit of the general welfare of the host local
33 government units (LGUs) and of energy activities or projects. A host LGU/s shall
34 include the political subdivision such as, the barangay/s, municipality/ies and
35 province/s where the energy project is located.

36
37 The CSR commitment fund of every energy contractor shall be determined by
38 the Department and the same be integrated in the service or operating contracts to
39 be executed between the Department and the contractor subject to applicable laws,
40 rules and regulations.

41
42 The duly accredited Affiliated Energy Centers shall be given preference as
43 partner of energy contractors in the implementation of the CSR programs in their
44 respective areas consistent with relevant policies to be issued by the Department.

45
46 **SEC. 21. *Energy Awards.*** – There shall be established Energy Awards
47 Committee which shall confer annually the Energy Awards for outstanding

1 achievement/s and excellence or original contribution to energy development,
2 exploration, commercialization, utilization, transmission and distribution.

3
4 The Committee, to be constituted by the Secretary of the Department within
5 fifteen days upon the effectivity of this Act, shall promulgate the guidelines in
6 implementing this Section and shall specify the categories of awards to be given and
7 the amount of financial reward for each category. Further, the Chair, Vice Chair and
8 Members including the Technical Staff of the Committee shall be entitled with the
9 benefits provided under 2nd paragraph of Section 7 (a) of this Act.

10
11 **SEC. 22. *Congressional Commission on Energy.*** – There is hereby
12 created a Congressional Commission on Energy (Energy Com) to review and assess
13 among others, the state of the Philippine human resources development in energy
14 sector, the state of computerization and information technology in the energy
15 activities and projects, and the implementation of this Act.

16
17 The Commission shall be composed of five (5) Members of the House of
18 Representatives and five (5) Members of the Senate. It shall be Co-chaired by the
19 Chairpersons of the Committee on Energy of both Houses of Congress. Such
20 congressional review shall be undertaken at least once every two (2) years.

21
22 **SEC. 23. *Authority of the Department to Collect, Manage and Disburse***
23 ***Income.*** – To supplement the implementation of this Act, the Department is hereby
24 authorized to collect any amount for the royalties from the energy activities and
25 projects due for the government as provided under Section 7(b) including, among
26 others, the application, processing or supervision and regulation fees, signing bonus,
27 training assistance, scholarship programs, and development assistance and such
28 other reasonable fees and charges for the application and awarded service and
29 operating contracts.

30
31 All incomes generated by the Department shall be deposited in trust accounts
32 in the authorized government depository banks to be exclusively managed and
33 disbursed by the Department subject to usual accounting and auditing rules and
34 regulations.

35
36 To attain the mandate and objective of this provision, the Secretary of the
37 Department shall create separate Compliance Services with divisions for renewable
38 energy resources, conventional energy resources, and the DOE-administered funds
39 from power producer/energy resource developers and such other units. The
40 organizational staffing patterns of these Compliance Services and its divisions or
41 units shall be submitted to the Department of Budget and Management for approval.

42
43 **SEC. 24. *Establishment and Management of the Administrative Regional***
44 ***Offices.*** – To further enhance the efforts, and ensure proper and efficient protection
45 and utilization of energy resources there is a need to strengthen the regulatory
46 powers and functions of the Department of Energy. Toward this end, the Secretary of
47 the Department is hereby authorized to create a Regional Office for every
48 administrative regional subdivision in the Philippines with adequate manpower,

1 facilities, equipment and resources necessary in carrying out their respective
2 mandates, regulatory authority, and duties.

3
4 The Administrative Regional Offices shall be under the direct administrative
5 supervision and control of the Office of the Secretary or any designated official of the
6 Department and each shall be headed by a Regional Director who shall be assisted
7 by at least two (2) Assistant Regional Directors and Chiefs and staff of various
8 administrative and technical divisions in accordance with the organizational staffing
9 patterns approved by the Department of Budget and Management.

10
11 The current employees of the Department of Energy in its field offices shall be
12 given priority in the hiring and filling-up of positions in various Administrative Regional
13 Offices so created.

14
15 Hiring, promotions and other personnel actions of the officials and employees
16 shall be subject to applicable laws, rules and regulations.

17
18 **SEC. 25. *Research and Development (R&D) on Energy.*** The Department
19 shall, in consultation with the stakeholders, formulate a short-term, medium-term and
20 long-term Research and Development (R&D) on Energy complementary to the
21 Philippine Energy Plan (PEP) and local and national development plans and thrusts.

22
23 To fully implement this provision, the Department Secretary is hereby
24 authorized to create and prescribe the functions and duties of the Energy Research
25 and Development Office (ERDO) under the direct supervision of the Office of the
26 Secretary or his authorized representative. The organizational and staffing pattern
27 including the hiring of the Director, Division Chiefs and other personnel of the ERDO
28 shall be subject to the approval of the DBM and in accordance with the pertinent Civil
29 Service Commission and other applicable laws, rules and regulations.

30
31 **SEC. 26. *Funding.*** – The amount necessary to fully implement this Act shall
32 be provided in the General Appropriations Act (GAA) of the year following its
33 enactment into law under the budgetary appropriations of the DOE and concerned
34 agencies.

35
36 **SEC. 27. *Annual Report.*** – The Secretary of the Department shall submit to
37 the Congressional Commission on Energy, an annual report of the status of
38 implementation of this Act.

39
40 **SEC. 28. *Implementing Rules and Regulations (IRR).*** – The Secretary of
41 the Department, in consultation with government and nongovernment agencies
42 involved in energy activities and projects, shall formulate the implementing rules and
43 regulations to carry out the provisions of this Act.

44
45 **SEC. 29. *Repealing Clause.*** – All laws, decrees, orders, rules and
46 regulations, or parts thereof, inconsistent with the provisions of this Act are hereby
47 amended or repealed accordingly.

1 SEC. 30. ***Separability Clause.*** – The provisions of this Act are hereby
2 declared separable. In the event that any provision hereof is rendered
3 unconstitutional, those that are not affected shall remain valid and effective.
4

5 SEC. 31. ***Effectivity.*** – This Act shall take effect immediately after publication
6 in two (2) newspapers of general circulation.
7

8 Approved,