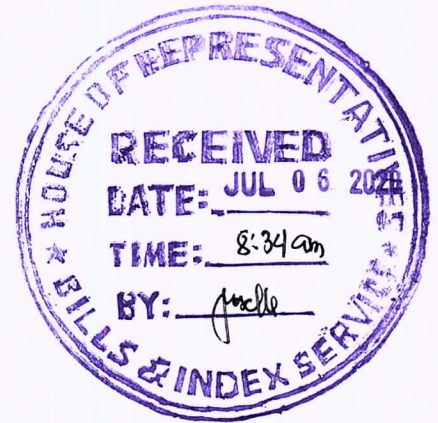




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS

Second Regular Session

House Bill No. 7059

Introduced by

Philreca Party-List Representative Presley C. De Jesus,
APEC Party-List Representative Sergio C. Dagooc,
Ako Padayon Pilipino Party-List Representative Adriano A. Ebcas,
RECOBODA Party-List Representative Godofredo N. Guya

EXPLANATORY NOTE

Access to quality and low-cost electricity has proven to have impact on development indicators such as health, education, food security, gender equality, livelihoods, and poverty reduction. In line with the State's policy to accelerate the total electrification of the country¹ in pursuit of economic development, the Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA) was signed into law in June 8, 2001.

Section 73 of the EPIRA provided for a socialized pricing mechanism called a lifeline rate for the marginalized end-users that shall be exempted from the cross subsidy phase-out for a period of ten (10) years, or until 2011, unless extended by law.² The lifeline rate aims to support low-income captive power customers who are not capable of paying the full cost of services through a subsidized electricity rate. Proving to be effective in cushioning the blow from increasing power rates, the lifeline subsidy was further extended in 2011 for an additional ten (10) years³, or until 2021.

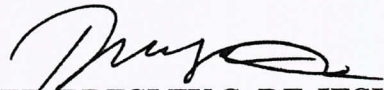
¹ Sec.2(b), Republic Act No. 9136 (2001)

² Sec. 73, RA 9136 (2001)

³ Sec.73, RA 9136 (2001), as amended by RA 10150 (2011)

Now more than ever, as the country faces economic setbacks due to the coronavirus disease 2019 (COVID-19) global pandemic⁴, low-income consumers need continuous relief and assistance to enable them to access electricity and uplift their lives. With the nearing expiration of the lifeline rate, this bill seeks to extend the said subsidy for an additional 20 years, or until 2041, in order to continue the strides made into achieving secure and affordable supply of electric power for all.

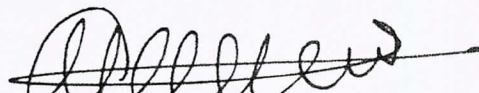
In the view of the foregoing, the passage of this bill is earnestly sought.



REP. PRESLEY C. DE JESUS
PHILRECA Partylist



REP. SERGIO C. DAGOOC
APEC Partylist



REP. ADRIANO A. EBCAS
Ako Padayon Pilipino Partylist



REP. GODOFREDO N. GUYA
RECOBODA Partylist

⁴ Nikkei Asian Review (<https://asia.nikkei.com/Economy/Coronavirus-snaps-Philippines-21-year-growth-streak>)



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS

Second Regular Session

House Bill No. 7059

Introduced by
Philreca Party-List Representative Presley C. De Jesus,
APEC Party-List Representative Sergio C. Dagooc,
Ako Padayon Pilipino Party-List Representative Adriano A. Ebcas,
RECOBODA Party-List Representative Godofredo N. Guya

AN ACT
EXTENDING THE IMPLEMENTATION OF THE LIFELINE RATE,
AMENDING FOR THE PURPOSE SECTION 73 OF REPUBLIC ACT NO.
9136, OTHERWISE KNOWN AS THE ELECTRIC POWER INDUSTRY
REFORM ACT OF 2011, AS AMENDED BY REPUBLIC ACT NO. 10150

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

Section 1. Extension of Lifeline Rate – Section 73 of Republic Act No. 9136, otherwise known as the Electric Power Reform Act of 2011, as amended by Republic Act No. 10150, is hereby further amended to read as follows:

“SEC. 73. Lifeline Rate. – A socialized pricing mechanism called a lifeline rate for the marginalized end-users shall be set by the ER which shall be exempted from the cross subsidy phase-out under this Act for a period of ~~twenty (20)~~ **FORTY (40)** years, unless otherwise extended by law. The level of consumption and rate shall be determined by the ERC after due notice and hearing.

Section 2. Separability Clause. – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 3. Repealing Clause. – Any other provision of law, presidential decree, executive order, or rules and regulations inconsistent with the provisions of this Act or with the rules and regulations issued pursuant thereto are hereby repealed, amended, or modified accordingly.

Section 4. Effectivity. – This Act shall take effect on the fifteenth (15th) day following its publication in the Official Gazette or one (1) newspaper of general circulation.

Approved.