



Republic of the Philippines
House of Representatives
Quezon City



NINETEENTH CONGRESS

First Regular Session

House Bill No. **6424**

Introduced by
Representative Zia Alonto Adiong
Representative Yasser Alonto Balindong
PHILRECA Party-List Representative Presley C. De Jesus
APEC Party-List Representative Sergio C. Dagooc

AN ACT
PROVIDING FOR THE CONDONATION OF THE OVERDUE POWER
ACCOUNTS BY THE LANAO DEL SUR ELECTRIC COOPERATIVE, INC.
(LASURECO) FROM THE POWER SECTOR ASSETS & LIABILITIES
MANAGEMENT CORPORATION (PSALM) INCLUDING THE PRINCIPAL
AMOUNT, UNPAID INTERESTS, PENALTIES, AND UNREMITTED
UNIVERSAL CHARGES

The bill seeks to provide for the condonation of the Interests, Surcharges, Penalties and Universal Charges incurred by the Lanao del Sur Electric Cooperative, Inc. (LASURECO) payable to the Power Sector Assets and Liabilities Management Corp (PSALM).

Accumulating since the year 2009 up until present day, including Universal Charges, LASURECO's overdue accounts payable for its power bills now amounts to a total of Thirteen Billion sixteen million one hundred eighty-nine thousand five hundred sixty-one pesos and thirty-one centavos (Php 13,016,189,561.31). As regards to the Interest accumulated, the total interest due contributes to as much as five billion eight hundred seventy-six million

twenty-eight thousand sixty-three pesos and forty-five centavos (Php 5,876,028,036.45)

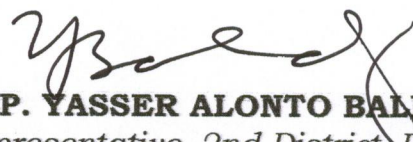
In the same time span, LASURECO was able to pay PSALM a total amount Ninety-Five Million Nine Hundred Sixty-Two Thousand Five Hundred Nine Pesos and Fifteen Centavos (Php 95,962,509.15) which was applied to the incurred interests, surcharges, and penalties. However, due to burden of arrearages and the absurd amount of interest that has accumulated throughout the years, it would be impossible for LASURECO to pay for the total amount due. The inability to pay for the entire amount has restricted LASURECO to render efficient service and provide a regular supply of electricity to the province of Lanao del Sur.

Henceforth, it is sought that the total amount paid by LASURECO be applied to the principal obligations due and that all the interests, surcharges, penalties on the principal obligation, as well as the universal charges due that have accrued until the effectivity of this act shall be condoned.

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



REP. ZIA ALONTO ADIONG
Representative 1st District, Lanao del Sur



REP. YASSER ALONTO BALINDONG
Representative, 2nd District, Lanao del Sur



REP. PRESLEY C. DE JESUS
PHILRECA Party-list Representative



REP. SERGIO C. DAGOOC
APEC Party-list Representative



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

1 SECTION 1. **Short Title.** – This Act shall be referred to as the "Lanao del
2 Sur Electric Cooperative, Inc. (LASURECO) Condonation Act of 2022".

3 SECTION 2. **Declaration of Policy.** – The State shall pursue a
4 comprehensive rural electrification program, including the provision of electric
5 services in *sitios* and remote households, as a strategy to provide more
6 opportunities for improved quality of life, greater access to basic services and
7 better infrastructure for rural development. To further accelerate access to
8 electricity services by the country's unelectrified communities and strengthen
9 and integrate efforts on rural electrification, the State shall provide subsidies
10 and grants to the distribution utilities, particularly the electric cooperatives,
11 pursuing sitio electrification projects in their coverage area.

1 SECTION 3. ***Condonation of Principal Obligation.*** – The accumulated
2 principal obligation by the Lanao del Sur Electric Cooperative, Inc. (LASURECO)
3 payable to the Power Sector Assets and Liabilities Management Corp (PSALM)
4 beginning from the year 2009 until the effectivity of this Act, may be hereby
5 condoned or restructured within a period not exceeding fifteen (15) years.

6 SECTION 4. ***Condonation of Interests, Surcharges, Penalties and***
7 ***Universal Charges.*** – All interests, including surcharges, penalties on the
8 principal obligation, as well as the universal charges incurred by the Lanao del
9 Sur Electric Cooperative, Inc. (LASURECO) payable to the Power Sector Assets
10 and Liabilities Management Corp (PSALM) beginning from the year 2009 until
11 the effectivity of this Act, in whatever accumulated amount or sum of interest
12 and surcharges as there may be are hereby condoned, thereby perpetually
13 relieving LASURECO from payment thereof of all interests, surcharges, penalties
14 and universal charges that may have been accumulated.

15 The amount paid in the sum of Ninety-Five Million Nine Hundred Sixty
16 Two Thousand Five Hundred Nine Pesos and Fifteen Centavos (Php
17 95,962,509.15), which was applied in payment of interests, surcharges, and
18 penalties, shall be applied to, and deducted from the principal obligation instead.

19 SECTION 5. ***Effectivity Clause.*** – This Act shall take effect fifteen (15)
20 days after its publication in the Official Gazette or at least 2 (two) newspapers of
21 general circulation.

22 *Approved,*