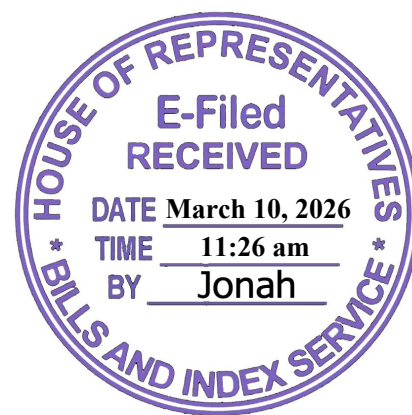


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8397



Introduced by Representative ERIC G. YAP

EXPLANATORY NOTE

This bill seeks to amend Republic Act No. 11371, otherwise known as the *Murang Kuryente Act*, to further reduce electricity rates by optimizing the use of the Malampaya Fund and minimizing the universal charges imposed on consumers.

Despite the enactment of RA 11371, Filipino consumers continue to bear high electricity costs, partly due to universal charges for stranded contract costs and stranded debts assumed by the Power Sector Assets and Liabilities Management Corporation (PSALM) under the Electric Power Industry Reform Act of 2001. These charges, which are passed on to consumers, contribute significantly to overall power rates.

To provide more immediate and substantial relief, this measure allocates PhP 208,000,000,000 from the net national government share of the Malampaya Fund to cover PSALM's stranded contract costs, stranded debts, and anticipated shortfalls. By directly funding these obligations, the bill reduces the need to collect universal charges from electricity consumers, thereby lowering power rates nationwide.

The measure further mandates that twenty percent (20%) of the annual approved Universal Charges for Missionary Electrification (UCME) be sourced from the Malampaya Fund, subject to amended implementing rules and regulations, until the exhaustion of the fund. This ensures continued support for missionary electrification while easing the financial burden on consumers.

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


HON. ERIC G. YAP

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **8397**

Introduced by Representative ERIC G. YAP

AN ACT
FURTHER DECREASING THE PRICES OF ELECTRICITY IN THE COUNTRY,
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11371, OTHERWISE
KNOWN AS “THE MURANG KURYENTE ACT”

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

Section 1. *Short Title.* — This Act shall be known as the “*Mas Murang Kuryente Act*”.

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the state to protect public interest by ensuring the provision of reliable, secure, and affordable supply of electric power to consumers. Towards this end, the state shall implement policies and programs to ensure transparent and reasonable prices of electricity to consumers by minimizing the universal charges for stranded contract costs and stranded debts.

SEC. 3. Section 4 of Republic Act No. 11371, otherwise known as the “*Murang Kuryente Act*”, is hereby amended to read as follows:

“Section 4. *Use of Malampaya Fund.* — x x x

“IN ADDITION, TWENTY PERCENT (20%) OF THE ANNUAL APPROVED UNIVERSAL CHARGES FOR MISSIONARY ELECTRIFICATION (UCME) SHALL BE COLLECTED FROM THE MALAMPAYA FUND, UNTIL THE EXHAUSTION OF SAID FUND AND SUBJECT TO THE AMENDED IMPLEMENTING RULES AND REGULATIONS OF THIS ACT.

“THE COMMISSION ON AUDIT (COA) SHALL STRICTLY MONITOR THE UTILIZATION OF SUCH FUNDS TO ENSURE TRANSPARENCY, ACCOUNTABILITY, AND EXCLUSIVE

APPLICATION TO MISSIONARY ELECTRIFICATION PROJECTS AND ACTIVITIES"

SEC. 4. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the DOE and DOF, in consultation with the DBM, the Bureau of the Treasury, and the PSALM shall amend the Implementing Rules and Regulations of Republic Act No. 11371.

SEC. 5. *Separability Clause.* – If any portion or provision of this Act is declared invalid or unconstitutional, other provisions hereof shall remain in full force and effect.

SEC. 6. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen days (15) after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,