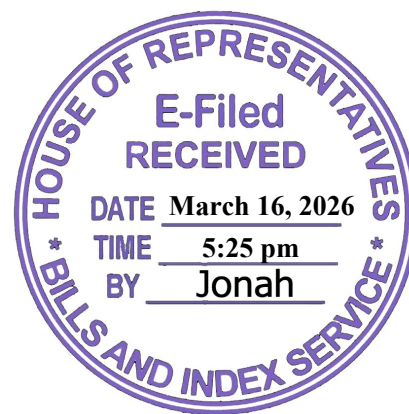


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **8567**



Introduced by **REPRESENTATIVE MARK O. COJUANGCO**

AN ACT
PRESCRIBING INCENTIVES APPLICABLE TO THE INTEGRATION OF
THE NUCLEAR ENERGY SECTOR INTO THE ELECTRICITY SECTOR OF
THE PHILIPPINES, APPROPRIATING FUNDS THEREFORE AND OTHER
PURPOSES

EXPLANATORY NOTE

In 1986, we turned our backs on a 100% complete, extremely well-built, and ready to run nuclear power plant. Since then, we have tried all other technologies for power generation, but have failed to make the price and supply of electricity cheap, clean, or reliable.

Public energy policy favoring a nuclear direction in the 1970s and early 1980s was driven by the 1973 Organization of the Petroleum Exporting Countries (OPEC) -led oil crisis, where we saw large jumps in prices and long lines at gasoline stations, including in the United States. Today, ~53 years later, we find ourselves in a similar situation as another energy crisis is emanating from the same region of the world. The Iran War of 2026. Who knows what the outcome of this world event will end up being, for the Philippines.

40 years later, unlike for Korea and France, our would-be exit from fossil fuel energy dependence, the PNPP-1 remains unused, but ready to be commissioned. Such would

have been a monumental step toward preserving foreign exchange wealth and ushering in a poverty-ending economy.

In pursuing post-1986 electricity supply, we ended up today with 65% coal and oil, 20% Malampaya gas, for a total of 85% fossil fuel, and almost 13% of mainly hydro, and geothermal, with the balance being wind and solar. And unfortunately, Malampaya gas is fast running out and will have to be imported as liquefied natural gas (LNG) for future incremental capacity.

Our incremental growth will almost certainly be heavily skewed toward imported fossil fuels. And because of our ban on new coal, it will most likely be even more expensive imported LNG. As can be seen in the recent and ongoing war in Iran, LNG can be quite unreliable as a source of energy. It is also very volatile in price as a fuel source. Being the preferred fuel source of wealthy countries like Europe, Korea, Taiwan, Japan, China, and others. Countries we cannot possibly outbid in a price war.

Going nuclear means that we can avoid 95% of the expense of importing these fossil fuel sources on an equivalent energy output basis because of uranium's (nuclear fuel) millions of times higher energy density. Thus, saving our country tens of billions of dollars in avoided annual foreign exchange expenditures.

Nuclear also eliminates the huge burden on our and allied navies' task of defending against blockade by aggressor countries which, if it came to pass, could immediately knockout our electricity supply causing economic pain, hardship, and possible collapse.

Unlike fossil fuels which are "just-in-time" sources of energy, and because of the immense physical inventories needed by generating plants, it is impractical to have enough physical storage space and working capital for said fossil fuels for more than a couple of months or even weeks. On the other hand, nuclear has its entire fuel inventory good for 18-24 months stored inside its reactor. Thus, eliminating the huge merchant fleet of bulk coal and bulk LNG carriers necessary to keep fossil fueled electricity

running. With nuclear, a refueling load good for 18-24 months fits in the physical space of a single jeepney. Imagine the benefit of eliminating this merchant fleet to our environment and economy as running costs, investments, and pollution are eliminated.

Now that there is a clear worldwide shift in attitudes towards nuclear power to the positive, with 38 countries declaring that the world must triple nuclear capacity so that there would be a chance of meeting “net-zero” climate goals by 2050; it behooves us to have a clear plan and policy in place to use nuclear as the main solution for cheap, clean, yet reliable electricity supply. This would enable the Filipino people to finally be empowered towards an end to poverty.

Nuclear is standalone and baseload, unlike wind and solar, which requires LNG and massive storage to become technically viable. Such crutches are inevitably ultra expensive and require multiple levels of investment for workarounds. These ultimately lead to the Filipino paying much more for electricity than he would need to if the solution were to be nuclear.

It has been said that the Philippine Nuclear Power Plant I (PNPP-1) is a white elephant. It has also been said that PNPP-1 cost the Philippines 2.2billion USD. The truth is PNPP-1 completed its hot functional testing in May of 1984. This means that it had run on and off at around 5 megawatts to test and prove all its systems. Thus, proving for all who are interested in facts that PNPP-1 was NOT a white elephant.

It was also certified as ready for core loading by an Operational Safety Review Team (OSART) II mission of the International Atomic Energy Agency (IAEA) in March of 1985. With the nuclear fuel being on hand at around the same timeframe, PNPP-1 is clearly a victim of partisan politics. The other truths are: PNPP-1 cost 1.421 Billion USD in principal and 0.699 Billion USD in “out of pocket” interest by August of 2007, the year PNPP-1’s debt was fully paid. “Out of pocket” because she was not allowed to earn by operating, in order to pay this interest and principal. One of her sister plants, the KORI Unit II nuclear plant in Busan, Korea, costs similar and paid for itself,

including interest, in only six years of operation. Surely, we must take cognizance of our past mistakes moving forward.

It is surprising to me that it is now March of 2026, and in my opinion, the Philippine's nuclear assets: the plant, the plant site, the power line, and the nuclear village in Bagac, are still worth in the vicinity of 2 Billion USD 40 years after the fact. It surely seems that this was a quality investment in its time.

As the U.S. scrambles, to reactivate nuclear plants, some of which are up to 10 years older than PNPP-1 and worn through use, including the site of the worst nuclear incident in American history: the Three Mile Island (TMI) nuclear power plant, we should not put our brand-new nuclear power plant to waste. Instead, we should finally allow it to demonstrate what it has been worth all these years. It has the potential to at least begin to halve Philippine electricity prices which will, in turn, have a direct impact on our gross domestic product (GDP).

It behooves us to use the value of our Philippine nuclear assets as equity so that the burden of financing could possibly be eliminated as a burden to our General Appropriations Act (GAA). This is the clearest and quickest step forward for the Philippines to enter the nuclear age.

Should we decide not to go down that path, we need to appropriate the required equity so that we may embark on nuclear buildout in localities where social license is clear and unambiguous.

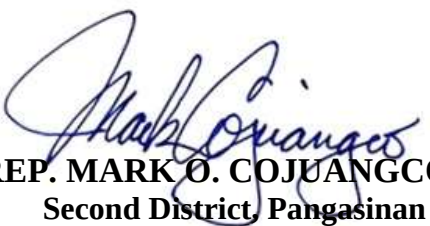
Further, to launch a broader nuclear energy program, we must as a matter of urgency ensure structural and comprehensive whole-of-government support, including sovereign guarantees and other mechanisms, to facilitate the establishment of nuclear energy projects beyond the PNPP site, as well as a thriving nuclear energy industry in the Philippines.

It is my prayer that we aspire to at least 16,000 MW of nuclear being online in the Philippines before the end of 2045. Such, and even twice more, is with sound basis, and is incremental and not replacement in nature. This topic and its basis will be fertile ground for productive discussion and debate.

For the Philippines, the context of going nuclear is perfect because we are a fossil fuel poor country. Nuclear fits us to a “T”.

This measure seeks to provide society with a clear policy path and method for substantial nuclear to be pursued, financed, and implemented, in the most efficient manner possible.

The enactment of this bill is most earnestly sought.



REP. MARK O. COJUANGCO
Second District, Pangasinan

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PRESCRIBING INCENTIVES APPLICABLE TO THE INTEGRATION OF THE
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ARTICLE I:
TITLE, DECLARATION OF POLICIES AND DEFINITIONS

Section 1. Short Title

This Act shall be known as the “Nuclear Energy Sector Integration Act”, referred to herein as the “Act”.

Sec.2. Declaration of Policies

It is hereby declared to be the policy of the State to:

- (a) Achieve reduced cost of electricity to drive economic growth and promote sustainable industrialization;
- (b) Minimize the national foreign exchange requirements for fuel importation;
- (c) Ensure energy security and independence by reducing reliance on imported fuel;
- (d) Recognize the role of the Government of the State in providing the enabling environment necessary to establish the Philippine nuclear energy sector and due to matters of national security, energy security, nuclear security and non-proliferation, and fossil fuel independence;

- (e) Recognize the key role of nuclear energy in achieving reduced greenhouse gas emissions and achieving Sustainable Development Goal 7 of access to affordable, reliable and sustainable energy;
- (f) Recognize nuclear energy as an environmentally sustainable zero-emissions energy source;
- (g) Deem the nuclear energy sector as a priority investment sector that will regularly form part of the Philippine Development Plan, recognizing the contribution nuclear energy can make to economic and social transformation to reinvigorate job creation and accelerate poverty reduction by steering the economy back on a high-growth path;
- (h) Provide an enabling environment to accelerate and support the development of the nuclear energy sector in the Philippines including to generate jobs, spur enterprise growth, attract investments, grow globally competitive and innovative industries and upgrade the country's participation in regional and global value chains;
- (i) Safeguard and improve the integrity, reliability and stability of the country's electric power grid;
- (j) Facilitate the establishment of a quality and safety culture throughout the Philippine nuclear industrial landscape;
- (k) Enter into nuclear cooperation agreements with countries supplying uranium and other nuclear material, thorium, nuclear reactor technology, equipment, components and services to the nuclear sector; and
- (l) Establish the necessary infrastructure and mechanisms to carry out the mandates specified in this Act and other existing laws.

Sec.3. Scope

This Act shall establish the framework to accelerate and sustain the development of the nuclear energy sector in the Philippines by encouraging Filipino and foreign investment, establishing and mandating an Office of Nuclear Energy within the Department of Energy (DOE), and ensuring the availability of Government mechanisms and incentives to support the nuclear energy sector.

Sec.4. Definitions

For the purposes of this Act:

Asset-backed Financing means any financing arrangement (including loans, bonds, notes, or other debt instruments) secured by a lien, mortgage, pledge, or other security interest over the existing assets or their related cashflows.

Commercial Operation means the phase of reactor operation that begins when power ascension ends and there are electricity sales under a commercial electricity supply contract or other electricity market mechanism.

Community Infrastructure means publicly accessible facilities and services that support the well-being, education, health, connectivity, and economic resilience of the host community. This may include roads, public transport links, water and sanitation systems, schools, clinics, recreational areas, and digital infrastructure.

Construction Phase has the meaning set forth in Sec. 23.

CP-ITCs has the meaning set forth in Sec. 23.

Debt Service means scheduled payments of principal and interest, including fees and charges required under any asset-backed financing instrument.

Earnings shall include dividends, profits, or other returns arising from the operation of the relevant facility.

Equity Participation means any direct or indirect ownership interest (including shares, partnership interests or other beneficial interests) held by the National Development Corporation (NDC) in special-purpose entities or operating companies that own, operate, or develop the Existing Assets or new nuclear generating infrastructure.

Existing Assets means the infrastructure identified in Sec. 46.

Initial Capital Outlay means the aggregate capital investment made by the foreign partial owner for the development, construction, and commissioning of a nuclear power facility.

Monetisation means the conversion of value derived from the Existing Assets into cash or cash-equivalents through sale, lease, securitisation, or refinancing, and includes the receipt of dividends, distributions, interest, and fees associated with such transactions.

Net Proceeds means the gross cash receipts from monetization transactions minus (a) transition costs (including underwriting, legal and advisory fees), (b) taxes and duties due on the transaction, and (c) amounts required to be deposited into any debt service reserve or escrow established under the applicable financing instruments.

PhilATOM means the Philippine Atomic Energy Regulatory Authority established by Republic Act No. 12305 or the “Philippine National Nuclear Energy Safety Act”.

RPC Scheme has the meaning set forth in Sec. 31.

Reinvestment means the direct allocation of funds into productive enterprise or capital investment situated within the territory of the Republic of the Philippines.

Retained Earnings means the accumulated profits realized out of normal and continuous operations of the corporation after deducting therefrom distributions to stockholders and transfers to capital stock or other accounts, as set forth in Securities and Exchange Commission (or SEC) Memorandum Circular (MC) No. 16, series 2023 dated September 19, 2023, Re: Revised Guidelines on the Determination of Retained Earnings Available for Dividend Declaration.

Reserve means the strategic uranium reserve established pursuant to Sec. 38.

Restricted Nuclear Development Account or RNDa means a segregated treasury account maintained by the NDC in which all revenues and net proceeds derived from Existing Assets are deposited and from which disbursements may be made only for the permitted uses specified in Sec. 48.

Revenues means recurring cashflows received by the NDC arising from the Existing Assets or from equity participation or asset-backed financing, including dividends, distributions, interest or lease fees.

RPC Scheme means the Reinvestment and Productivity Credit Scheme.

ARTICLE II: NUCLEAR CAPACITY TARGETS AND FOSSIL FUEL PHASEOUT

Sec.5. Purpose of Article II

Provisions under Article II are designed to establish the State’s policies with respect to the achievement of nuclear energy generating capacity targets and the responsible phase out of fossil fuel.

Sec.6. Nuclear Generation Capacity Targets by 2045

It is declared to be the policy of the State to achieve (i) at least 16,000 MWe of new nuclear generation capacity online by 2045, or (ii) up to 32,000 MWe of new nuclear generation

capacity online by 2045 if the trajectory of economic growth of the State necessitates such expansion.

Sec.7. Nuclear Generation Capacity Targets by 2060

Before end of the year 2042, Congress shall establish new, forward-looking targets for nuclear generation capacity to be achieved by 2060. Such targets shall be greater than the targets set forth in Sec. 6.

Sec.8. Replacement of Fossil Fuel

It is declared to be the policy of the State to eventually replace fossil fuel generation with baseload generation from hydro, geothermal or nuclear energy, provided that the total capacity inadequacy, including reserve capacity, no longer exists.

The DOE is mandated to ensure the physical construction, operation, and availability of adequate spinning reserve capacity. Such spinning reserve shall mean online generation capacity that is unused but can be rapidly dispatched to handle sudden generation losses, unexpected load surges, or intermittency from wind or solar sources. The adequacy of the spinning reserve shall be determined by DOE in consultation with the National Grid Corporation of the Philippines (NGCP).

The Philippine Grid Code notwithstanding, synchronized reserve capacity may be created in one of two ways: (a) running a plant at minimum rated output; or (b) running a plant at high output but short of its maximum output. The percentage outputs are to be defined explicitly for both cases.

The State shall determine how such reserve capacity will be paid for, both as far as capital expenditures and operating expenses are concerned.

In addition, other categories of reserve capacity, online and offline in type, shall be made available for connection to the grid to satisfy a certain percentage mandate as determined by this Act.

Sec.9. Plan to cease fossil fuel generating capacity

Within one (1) year of the passage of the Act, the DOE and the owners of fossil fuel generating facilities shall work cooperatively to produce a fossil fuel generating plant closure forecast by estimating the remaining economic life of all such facilities.

The DOE shall also:

- (a) Identify reserve fossil fuel generating facilities that, despite being closed, shall be maintained in a state such that they can be deployed in an emergency or to fulfill reserve capacity; and
- (b) Develop a proposal for how such reserve facilities can be efficiently compensated for providing this service, including consideration of how they will procure necessary fuel.

ARTICLE III: OFFICE OF NUCLEAR ENERGY

Sec.10. Purpose of Article III

Provisions under Article III are designed to establish and mandate the Office of Nuclear Energy within the Department of Energy.

Sec.11. Establishment of Office of Nuclear Energy and general responsibilities

There is hereby established an Office of Nuclear Energy within the DOE, which shall, until 6,000 MWe of new nuclear generation capacity is achieved, report directly to the Office of the President and, thereafter, report to the Secretary of Energy.

The Office shall be responsible for:

- (a) Facilitating the achievement of the nuclear capacity targets set forth in Article II of this Act;
- (b) The promotion, planning and development of domestic nuclear energy generation and related technologies and industries; and
- (c) Implementing the mechanisms provided for in this Act to support the development of the nuclear energy sector in the Philippines.

Sec.12. Budget

The Office of Nuclear Energy shall have an annual budget that is equivalent to or greater than the budget allocated to the Renewable Energy Development Program of the DOE, which shall be included in the Department's annual budget.

In addition, there shall be a separate allocation necessary to establish the Office of Nuclear Energy and a budget for the appointment of external advisers, both domestic and foreign, in areas of engineering, law, commerce and finance.

A per cent of every annual budget of the Office of Nuclear Energy must be dedicated to public relations and community engagement related to nuclear energy in pursuit of the policy of the State as specified in this Act, *provided that* such per cent shall be equivalent to or greater than the equivalent expenditure of the Renewable Energy Development Program of the Department of Energy.

Sec.13. Appointment of Undersecretary and Staff

The Undersecretary for Nuclear Energy shall be the head of the Office of Nuclear Energy and shall be exclusively dedicated to matters of nuclear energy.

The Undersecretary for Nuclear Energy shall be appointed by the President and shall have the following phrase in the oath of office: *“I shall strive to achieve at least (i) 16,000 MWe of new nuclear generation capacity online by 2045; or up to 32,000 MWe of new nuclear generation capacity online by 2045 if the trajectory of economic growth of the State necessitates such expansion to 32,000 MWe”*.

The Office of Nuclear Energy shall have the number of Plantilla positions equivalent to or greater than the number allocated to the Renewable Energy Development Program of the Department of Energy. Notwithstanding Republic Act No. 7638, otherwise known as “Department of Energy Act of 1992”, appointments to these positions shall be made by the Undersecretary of the Office of Nuclear Energy.

Sec.14. Specific duties defined in this Act

The Office of Nuclear Energy shall:

- (a) Develop a detailed and practical roadmap to achieve the nuclear generation capacity targets specified in Sec. 6 of this Act by 2045;
- (b) Develop the plan to phase out fossil fuel generating facilities in accordance with Article II of this Act;
- (c) Identify and cultivate domestic industry that may participate in the localization of nuclear services, materials, and technology providers in the Philippines and for future nuclear exports;
- (d) Develop a cohesive strategy for engagement with foreign governments of both mature and embarking civil nuclear energy nations, as well as international export credit agencies, development banks, and other lending institutions, to encourage civil nuclear power cooperation;

- (e) Within twelve (12) months of the effective date of this Act, take the lead, in cooperation with other relevant ministries, to ensure the ongoing validity of the Philippine's current bilateral nuclear cooperation agreements and the entry into new bilateral nuclear cooperation agreements to facilitate nuclear trade with all countries supplying uranium, thorium and other nuclear material, nuclear reactor technology, equipment, components and services to the nuclear sector;
- (f) Institute a comprehensive public relations and community engagement strategy to promote understanding of the benefits of nuclear energy within the Philippines;
- (g) Complete every twelve (12) months of the effective date of this Act, a report to Congress on nuclear power generation priority within an economic dispatch model, being a model that minimizes the cost of electricity generation without sacrificing quality and reliability; and
- (h) Perform other functions and responsibilities that are necessary to fulfill its mandate as set forth in this Act.

ARTICLE IV: SUPPORT TO NEW NUCLEAR POWER PROJECTS

Sec.15. Purpose of Article IV

Provisions under Article IV are designed to further the achievement of the policy objectives of this Act by providing investment support and reducing financial risk prior to commercial operation of a new nuclear power plant, as well as enabling Government-owned and operated nuclear power projects.

Sec.16. Exemption from the Electric Power Industry Reform Act for Nuclear Power Investment

Notwithstanding any provision to the contrary under Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001", nuclear power plants shall be exempt from restrictions that limit Government investment in, support to, or ownership in electricity generation facilities. This exemption shall apply exclusively to nuclear power plant development, construction, operation, electricity sales and related activities as defined under this Act.

Sec.17. Government Investment via the National Development Company

To achieve the nuclear capacity targets established under Article II, the Government is entitled to invest in nuclear power plant developments provided they are being advanced by a proponent which has a Certificate of Compliance from the Energy Regulatory Commission (or ERC) or, in the determination of the ERC, is capable of obtaining such a certificate.

National Development Company (the “NDC”) shall establish a nuclear energy division with a dedicated manager and staff.

The Government shall channel all nuclear power investment and financing through the NDC.

The NDC is hereby authorised to invest in, or extend financing to, nuclear power projects owned and operated by private entities incorporated in the Philippines, including those in which such entities are substantially owned by foreign persons or corporations.

Government investment in nuclear energy projects through the NDC may include:

- (a) Taking an equity investment;
- (b) Providing a loan or loan guarantee;
- (c) Providing a guarantee of payments under a power purchase agreement;
- (d) Through its existing power of eminent domain, purchasing land which is suitable to site a nuclear power plant, and subsequently contributing the land as an in-kind investment in a nuclear power project; and
- (e) Any other investment which takes the form of a financial asset.

Sec.18. Direct Government Support

The Government may also provide support which does not take the form of a financial asset and is not provided through the NDC. In this case, the support shall be provided directly by the Government and may include the following:

- (a) A sovereign guarantee;
- (b) Cost overrun insurance;
- (c) Allocation of appropriately zoned land to a proponent under a concessional long-term lease; and
- (d) Other forms of support as determined by the Government.

With respect to Government cost overrun insurance, the Office of Nuclear Energy shall advise the Government on the terms, conditions, prerequisites, audit and oversight, project ownership

structure and policy threshold as a percentage of the initially planned budget for any project seeking to access Government cost overrun insurance.

In the event a Government-provided construction cost overrun insurance policy is required to pay out funds to a project, the payment shall be in return for commensurate equity in the project granted to the NDC.

Sec.19. Government Ownership

Where a developer is unable to continue a project for any reason, the NDC may acquire, hold, or assume an ownership interest in a nuclear power plant and, at the direction of the President of the Philippines, assume responsibility for its development.

Sec.20. Government Development and Ownership of Nuclear Power Plants

The President of the Philippines may direct the NDC to develop, finance, construct, own and operate a nuclear power plant where the Department of Energy (DOE) advises that one or more of the following circumstances is likely to occur:

- (a) Private developers are unlikely to build sufficient nuclear energy capacity to meet the nuclear capacity targets in Sec. 6;
- (b) Power system security is, or may be compromised due to:
 - (1) Insufficient dispatchable generation capacity; or
 - (2) Inadequate spinning reserve, voltage control or other operational means of maintaining a stable electricity supply;
- (c) There is inadequate security of fuel supply; or
- (d) Electricity affordability is, or may be, compromised because of insufficient investment in dispatchable generation capacity.

A directive issued under this Section shall authorize the NDC to commence planning activities only. No expenditure or borrowing shall occur except in accordance with appropriations made by law and financing arrangements approved by the Secretary of Finance.

Notwithstanding Article IV, Republic Act No. 12305 applies to all nuclear power plants in the territory of the Republic of the Philippines.

Sec.21. Priority Applications and Consideration of Further Investment Vehicles to Support Nuclear

Government financial institutions, including the Development Bank of the Philippines, the Philippine National Bank, and other relevant financial institutions, and such other Government institutions as are now engaged or may hereafter engage in financing of nuclear power plants and other nuclear facilities, in accordance with and to the extent allowed by the enabling provisions of their respective charters, shall:

- (a) Accord high priority to applications for financial assistance submitted for the development of a nuclear power plant, and shall expedite evaluation and disbursement of approved funds;
- (b) Consider further financial vehicles to facilitate efficient investment in the nuclear power sector.

Sec.22. Nuclear Power Bonds

To promote investment in the development of nuclear power plants in the Philippines, the Bureau of the Treasury (or BTr) is, within one (1) year of the passage of this Act, hereby mandated to consult with the Bureau of Internal Revenue (or BIR) and the Securities and Exchange Commission to develop a comprehensive regulatory framework to enable the BTr to issue a range of nuclear power bonds. The framework shall be developed in accordance with the following principles:

- (a) A general bond or class of general nuclear power bonds shall be included which are available to domestic and overseas investors;
- (b) A special bond or class of special bonds shall be included which yield a small premium to general nuclear power bonds in Sec.22(a) and which are only available to Philippine nationals, including those residing abroad and recognized under Republic Act No. 9225 (Citizenship Retention and Re-acquisition Act of 2003), *provided that*, investments may also be made through juridical entities that are at least sixty per cent (60%) owned by Philippine nationals, provided such entities are duly registered with the appropriate regulatory bodies;
- (c) It shall be ensured that proceeds from nuclear power bonds shall be exclusively allocated to support capital investment in the development of nuclear power plants in the Philippines, *provided that*, such investments may include public–private partnership projects, subject to certification by the Office of Nuclear Energy and compliance with

conditions governing repatriation of earnings, institutional oversight, and other requirements as may be prescribed by the implementing rules;

(d) In determining the features of nuclear power bonds, the BTr and the SEC shall give due consideration to enhancing marketability and aligning with infrastructure financing objectives. These may include:

- (1) Tenor and maturity options appropriate to the projected cash flows of certified nuclear power projects;
- (2) Coupon structures that support investor participation and project risk profiles, including fixed, floating, or milestone-linked rates;
- (3) Transferability and liquidity mechanisms to facilitate secondary market trading, subject to regulatory safeguards;
- (4) Guarantees and credit enhancements to mitigate investor risk, potentially involving government or multilateral support; and
- (5) Retail investor suitability measures to promote inclusive participation by Filipino citizens, particularly those who are not recognised as “Qualified Buyers” under the Securities Regulation Code (SRC) and its Implementing Rules. These shall include the following design principles:

- (i) Accessibility through regulated platforms including cooperatives, rural banks, and digital channels;
- (ii) Simplicity of terms using plain-language disclosures and avoiding complex or derivative features;
- (iii) Minimum investment options with low-denomination bonds to encourage participation across income brackets;
- (iv) Risk disclosure standards mandating concise explanations of return profiles, liquidity risks, and project exposure;
- (v) Investor education initiatives coordinated with relevant agencies to enhance public understanding of nuclear power financing instruments.

For the purposes of domestic sustainable finance regulation, all nuclear power bonds issued pursuant to this Act shall be deemed to meet the criteria for Green or Transition Bonds under the prevailing national taxonomy.

(e) The Office of Nuclear Energy shall establish an accreditation framework for entities involved in the development and operation of nuclear power projects financed under this Act. This framework shall include eligibility requirements, oversight protocols and periodic review and renewal mechanisms. No entity shall receive proceeds from nuclear

power bonds or engage in related activities without valid accreditation under this framework.

- (f) The BTr and the SEC shall, in coordination with the Office of Nuclear Energy, develop oversight and compliance mechanisms necessary to implement the nuclear power bonds program. Such mechanisms shall ensure transparency, accountability, and the efficient use of proceeds in accordance with the objectives of the program.
- (g) Proceeds derived from investments in nuclear power bonds shall be exempt from all national and local taxes, provided that the bonds are issued by entities properly accredited pursuant to this Section.

Interest income derived from bonds issued by Government financial institutions or the NDC for the purpose of financing nuclear power investments shall:

- (a) Be exempt from national and local income taxation for purposes of computing regular taxable income; and
- (b) Be included in the determination of Minimum Corporate Income Tax obligations of the holding entity.

Sec.23. Construction-Phase Investment Tax Credits

To encourage private investment into new nuclear power plants, the first such investment made by an owner shall be eligible for Construction-Phase Investment Tax Credits (“CP-ITCs”). Subsequent investments in nuclear power projects shall not be eligible for CP-ITCs but can utilize the Reinvestment and Productivity Credit Scheme provided for in Sec. 28.

To encourage a high degree of Philippine ownership, nuclear power projects with greater than fifty percent (50%) combined ownership by Philippine corporations, Philippine nationals or the Government shall be eligible for a CP-ITC with a rate of fifty percent (50%) of eligible spend. Nuclear power plant projects with less than fifty percent (50%) combined ownership by Philippine corporations, Philippine nationals or the Government shall be eligible for a CP-ITC rate of thirty percent (30%) of eligible spend.

Nuclear power plant CP-ITCs shall be:

- (a) Granted annually from the time of the final investment decision (“FID”) to the commencement of commercial operation of the owner’s first (1st) nuclear power project (the “Construction Phase”);
- (b) Pre-agreed and based on the project cost estimate used to sanction FID, including the expected annual expenditures throughout the Construction Phase;

- (c) Claimed annually throughout the Construction Phase and shall not be awarded for unclaimed eligible expenditure incurred in previous years;
- (d) Transferable;
- (e) Non-refundable; and
- (f) Able to be carried forward for up to fifteen (15) years.

Within one (1) year of the passage of this Act, the Office of Nuclear Energy and the BIR shall promulgate implementing rules and regulations governing the administration of the CP-ITCs, including the following:

- (a) Establishing procedures for the annual submission, verification, and approval of eligible Construction Phase expenditures, including timelines for cost certification by independent accredited auditors or public infrastructure verifiers;
- (b) Defining the roles and responsibilities of the Office of Nuclear Energy as the technical lead for the assessment of project eligibility and Construction Phase progress verification, and the BIR as the fiscal authority responsible for issuing CP-ITCs, compliance tracking, and enforcement of claw-back provisions;
- (c) Designing and implementing mechanisms to detect, deter, and disqualify improper claims, including:
 - (1) Claw-back provisions for non-compliance;
 - (2) Related-party transaction controls, including enhanced disclosure and audit triggers for capital expenditures involving sponsors, affiliates, or subsidiaries; and
 - (3) An eligibility ceiling per project, expressed as a proportion of total qualified expenditures as forecast at the time of FID.
- (d) Integrating a robust regulated project accounts ledger to record all CP-ITC claims, approvals, and adjustments, ensuring auditability, traceability, and public transparency; and
- (e) Requiring the annual publication of CP-ITC amounts awarded per project, linked to qualifying benchmarks such as Philippine ownership share, employment generation and local content requirements.

ARTICLE V: FOREIGN OWNERSHIP AND INVESTMENT

Sec.24. Purpose of Article V

This Article governs foreign investment and ownership in the Philippine nuclear power sector including the investment conditions applicable to foreign investment, and operational conditions applicable to foreign-owned entities.

Sec.25. Foreign Ownership of Nuclear Power Plants

Foreign entities may own nuclear power plants in accordance with the Foreign Investment Act (RA7042), the Philippine Competition Act (RA10667), and other applicable laws including this Act.

Foreign corporations shall be entitled to access financing mechanisms, fiscal incentives, and other forms of support provided under this Act, subject to compliance with its conditions.

Sec.26. Operation of Nuclear Facilities by Foreign Corporations

Foreign corporations may operate nuclear power plants within the territory of the Republic of the Philippines, subject to the following conditions:

- (a) The designated plant manager or the chief nuclear officer shall be a Philippine national;
- (b) By no later than the tenth (10th) year of commercial operations, at least fifty percent (50%) of the certified reactor operators shall be Philippine nationals. This proportion shall not fall below fifty percent (50%) thereafter;
- (c) By no later than the fifth (5th) year of commercial operations, at least eighty percent (80%) of the total workforce at the nuclear power plant shall be Philippine nationals. This proportion shall not fall below eighty percent (80%) at any time thereafter.

The Office of Nuclear Energy shall monitor and ensure compliance with this Section in coordination with the PhilATOM

In the event of non-compliance, the operating license of the foreign corporation may be suspended. Upon recommendation by the PhilATOM and subject authorization by PhilATOM, the Government may appoint an interim body to assume operational control and management of the facility until such time as full compliance with the above conditions is established.

Sec.27. Conditional Repatriation of Earnings by Foreign Owners

Within one (1) year of the passage of this Act, the Office of Nuclear Energy, the Board of Investments and the Securities and Exchange Commission shall promulgate rules and implementing guidelines governing the repatriation of earnings by foreign partial or full owners of nuclear power plants, in accordance with the following principles:

- (a) Unconditional Repatriation Period - Permission to repatriate earnings without restriction until the full recovery of their initial capital outlay.
- (b) Conditional Repatriation After Capital Recovery – Repatriation permitted upon recovery of the initial capital outlay subject to:
 - (1) A minimum of fifty percent (50%) of annual earnings shall be reinvested within the Republic of the Philippines;
 - (2) The remaining fifty percent (50%) may be repatriated, subject to verification of compliance by the designated oversight and governance panel; and
 - (3) Earnings arising from qualified reinvestment activities shall be exempt from any subsequent repatriation restrictions.
- (c) Scope of Qualified Reinvestment Activities – Reinvestment shall include:
 - (i) Equity, debt, or project-based investment in Philippine-based businesses or commercial enterprises; and
 - (ii) Development, financing or enhancement of public infrastructure in coordination with relevant Government agencies.
- (d) Linkage to the Reinvestment and Productivity Credit (RPC) Scheme - Where reinvestment activities qualify under the RPC Scheme established in Sec, 31 of this Act, foreign partial or full owners shall be entitled to claim the corresponding credits, subject to the criteria and procedures provided therein.

The Office of Nuclear Energy, the Board of Investments, and the Securities and Exchange Commission shall jointly implement governance and oversight mechanisms to determine the eligibility, verification, and regulatory treatment of earnings repatriation by foreign partial or full owners of nuclear power plants, including earnings derived from reinvestment activities. Such oversight shall include audit protocols, period reporting and mechanisms for review or appeal.

**ARTICLE VI:
GOVERNMENT PROCUREMENT, GRID ACCESS, AND REINVESTMENT
MEASURES FOR COMMERCIAL NUCLEAR ENERGY**

Sec.28. Purpose of Article VI

This Article is intended to further the achievement of the policy objectives of this Act by supporting nuclear power plants when they begin operating. It allows the Government to purchase or support the purchase of nuclear electricity, ensures that nuclear power plants receive priority on the power grid, and offers incentives for owners to reinvest earnings into new generation, capacity uprates, productivity enhancements, and skilled workforce development.

Sec.29. Government Procurement of Nuclear Energy

To support stable market development for nuclear energy, the Government may establish, acquire ownership of, or finance an electricity retail entity solely for the purpose of entering electricity offtake agreements with nuclear power projects. Any such entity—whether established, acquired, or financed by the Government—shall:

- (a) Operate as a self-financing entity through electricity sales and related business activities;
- (b) Align procurement activities with the objectives of affordability, national energy security, emissions reduction, industrial competitiveness and long-term market viability;
- (c) Avoid practices that distort competitive electricity markets or displace private sector functions, except where explicitly required to accelerate nuclear energy adoption;
- (d) Enter into offtake agreements exclusively to support nuclear energy procurement and financing; and
- (e) Publish periodic reports detailing procurement decisions, financial performance, and alignment with strategic energy objectives set forth above, in accordance with transparency requirements to be defined by the Department of Energy.

Sec.30. Priority Dispatch for Nuclear Power Plants

The Energy Regulatory Commission shall promulgate a rule recognizing nuclear power plants as “must-run” power generating assets. Nuclear power plants shall receive priority dispatch in the Wholesale Electricity Spot Market, irrespective of the prevailing economic order-of-merit dispatch protocol.

The ERC shall include safeguards to prevent distortion of competitive market dynamics, including provisions for periodic review of dispatch conditions.

Sec.31. Reinvestment and Productivity Credit Scheme

To accelerate the growth of the Philippine nuclear energy sector, the Office of Nuclear Energy, in coordination with the Bureau of Internal Revenue, shall develop and administer a Reinvestment and Productivity Credit Scheme ("RPC Scheme") to promote the reinvestment of retained earnings into:

- (a) Additional nuclear generating capacity;
- (b) Productivity-enhancing investment into existing nuclear power plants; and
- (c) Nuclear workforce training and related infrastructure.

The RPC scheme shall be designed and implemented in accordance with the following principles. The RPC Scheme shall:

- (a) Stimulate reinvestment of retained earnings into the areas identified in Sec. 31 above;
- (b) Reduce financial barriers to reinvestment while upholding standards of transparency;
- (c) Support the objectives of affordability, national energy security, emissions reduction, and industrial competitiveness; and
- (d) Apply to all registered entities engaged in the ownership, operation, or expansion of nuclear power plants.

The RPC scheme shall consist of the following four incentive components:

- (a) Under the Reinvestment and Productivity Account Incentive, nuclear power plant owners may contribute retained earnings to a ledger recognized by the BIR for qualified reinvestment purposes. Expenditures from the Reinvestment and Productivity Account shall earn transferable Tax Credit Certificates (TCCs) equivalent to twenty-five percent (25%) of qualified spend. TCCs may be transferred to other registered entities or offset against eligible tax liabilities.
- (b) Under the Redeemable Tax Holiday Incentive, any nuclear power plant owner who makes qualified reinvestments from the Reinvestment and Productivity Account exceeding forty percent (40%) of net income in a given financial year shall earn a one-year income tax holiday, redeemable in any of the subsequent four (4) financial years. Redemption shall require certification from the Office of Nuclear Energy confirming that the reinvestment threshold has been met. Once a nuclear power plant owner earns a tax holiday, a five-year incentive cycle shall commence, during which no additional

tax holidays may be earned. A new eligibility cycle may begin only upon the expiry of the prior redemption window.

- (c) Under the Accelerated Depreciation Incentive, qualifying capital investments may be depreciated over a period not less than fifty percent (50%) of the duration permitted under existing tax laws.
- (d) Under the Bonus Deduction Incentive, nuclear power plant owners may claim an additional twenty-five percent (25%) tax deduction on qualified expenditures under the RPC Scheme.

The RPC Scheme shall recognize the following as qualified investments or expenditures:

- (a) Construction of new nuclear generating capacity;
- (b) Upgrading of existing nuclear units;
- (c) Investments enhancing availability, uptime, or operational productivity;
- (d) Training expenses for nuclear plant operators, technicians, and engineers;
- (e) Investment into nuclear sector training centres and related infrastructure; and
- (f) Deployment of automation and other productivity-enhancing technologies for the nuclear sector, *provided that*,

in all cases, compliance with the requirements of PhilATOM, including for safety upgrades after the issuance of the operating license for the respective facility, are not qualified investments or expenditures for the purpose of the RPC Scheme.

The RPC Scheme is a targeted investment support mechanism to achieve the nuclear generating capacity targets outlined in Article II of this Act and shall not constitute a permanent preferential tax regime for the nuclear energy sector. This PRC Scheme shall expire upon the earlier of: (a) 31 December 2060, or (b) the calendar year in which the Philippines achieves its nuclear generating capacity target as set out under Article II.

Sec.32. Nuclear Electricity Revenue Stabilization Mechanism

To ensure the bankability and timely development of nuclear power plants, the Government may establish long-term revenue stabilization arrangements for nuclear energy projects accredited under this Act.

The ERC may approve long-term electricity supply arrangements for nuclear power plants for periods not exceeding twenty (20) years.

Such arrangements may take the form of:

- (a) Regulated tariffs;
- (b) Long-term power supply agreements;

(c) Contracts for difference; and

(d) Other mechanisms ensuring stable revenue recovery up to full return of investment.

These mechanisms shall ensure predictable revenue streams sufficient to support financing of nuclear facilities while protecting consumers from unreasonable electricity prices.

Sec.33. Regulatory and Fiscal Stability For Accredited Nuclear Projects

Nuclear power plant projects that have reached final investment decision and obtained the required nuclear construction and/or operating license from PhilATOM shall be entitled to a stable regulatory and fiscal framework for the duration of the capital recovery period, in all cases, not exceeding twenty (20) years.

Accordingly, with respect to such projects:

(a) Fiscal incentives granted under this Act shall remain in force for such projects, and shall not be withdrawn or materially reduced.

(b) If the PhilATOM imposes amendments to regulatory requirements, the PhilATOM must justify such amendments based on nuclear safety, nuclear security, or compliance with international obligations, and for any such amendments that impair the financial viability of the project, the ERC is mandated to make adjustments to compensate.

(c) Regulatory requirements of the ERC shall not be modified in a manner that materially impairs the financial viability of the project.

(d) In the event that future legislation materially alters the investment framework, the Government shall adopt appropriate transitional measures or compensatory adjustments to preserve the originally approved investment conditions to the extent consistent with the constitution and applicable law, to protect the integrity and sanctity of contractual agreements, national obligations, and commitments.

ARTICLE VII: SECURING COMMUNITY AND PUBLIC ACCEPTANCE

Sec.34. Purpose of Article VII

This Article is intended to further the achievement of the policy objectives of this Act by ensuring local communities benefit from a nuclear power plant in their region and complementing existing provisions in the Electric Power Industry Reform Act RA9136 Chapter III, Section 37(n).

Sec.35. Host Community Electricity Benefit

In recognition of its role as host to energy infrastructure and in addition to existing entitlements, residents within the relevant host Local Government Unit (or LGU) may receive, free of charge, an allocation of electricity generated by the facility of up to one percent (1%) of its theoretical annual output, calculated using a ninety percent (90%) capacity factor. This allocation shall be non-cumulative and earmarked exclusively for use within the host community.

The free electricity benefit shall be used solely within the geographic boundaries of the host LGU. Transfer or sale outside the LGU is prohibited, except as expressly authorized by the Secretary of Energy for contiguous regional economic zones directly benefiting the host locality.

The free electricity benefit shall be allocated and distributed within the host locality in accordance with the following principles:

- (a) A portion may be allocated to local enterprises, cooperatives, or industrial locators to incentivize investment, improve competitiveness, and stimulate employment. Priority shall be given to sectors with high local economic multiplier effects, including manufacturing, agribusiness, and digital infrastructure.
- (b) A portion may be allocated to public institutions and services—such as schools, hospitals, water utilities, transport hubs, and digital infrastructure—to improve service delivery and reduce operating costs.
- (c) The Office of Nuclear Energy, in consultation with the host LGU, shall design the free electricity distribution framework, which shall specify eligible end-uses, allocation mechanisms, beneficiary selection criteria, and monitoring procedures. Annual reports detailing electricity usage and beneficiary sectors shall be published by the LGU and made accessible to the public.

Each year, the host LGU shall prepare and submit a proposed allocation schedule for the free electricity benefit. This nomination shall include:

- (a) Proposed distribution across:
 - (i) Industrial and commercial use;
 - (ii) Public utilities and infrastructure; and
 - (iii) Social service institutions.
- (b) Consideration of high-demand periods relevant to the host community where electricity support would yield outsized economic or social benefit.

- (c) Alignment with anticipated electricity availability, coordinated with the Office of Nuclear Energy and the nuclear power plant operator.
- (d) A summary of stakeholder consultations involving local business associations, cooperatives and educational and health institutions. The final nomination shall be publicly disclosed before submission.

The proposed allocation shall be submitted to the Department of Economy, Planning and Development (DEPDEV), for assessment of its potential benefit to the host community, including impacts on local productivity and employment generation.

The Undersecretary of the Office of Nuclear Energy shall have regard to the DEPDEV's assessment and must ratify the free electricity benefit before it may be implemented. The Undersecretary of the Office of Nuclear Energy may prescribe conditions or revisions as necessary to ensure alignment with the free electricity distribution framework.

The free electricity benefit shall reflect generation and availability, with no benefit drawn during refuelling cycles, planned maintenance or unscheduled outages. The Office of Nuclear Energy, in coordination with the facility operator, shall publish a rolling availability forecast to enable proactive planning by the host LGU and beneficiaries.

The free electricity benefit, or any portion thereof, is forfeited if it is not used within the respective calendar year.

Sec.36. Determination of the Sufficiency of Public Support

Prior to the commencement of site preparation for any *new* nuclear power plant, the owner or operator shall secure demonstrable support from the local community. This requirement shall not apply to:

- (a) The existing Bataan Nuclear Power Plant site, located in Morong, Bataan; or
- (b) Any future development involving additional reactors or capacity expansions at sites that have previously satisfied the public support requirement under this Section.

Support shall be determined through a ballot administered by the Commission on Elections (COMELEC), in accordance with the following provisions:

- (a) Participation in the local ballot shall be limited to individuals who:
 - (1) Are registered voters in the Philippines, including registered overseas voters;

- (2) Maintain a primary residence within the relevant Municipality in which the proposed perimeter fence of the nuclear power station site is located; and
 - (3) Are Filipino citizens.
- (b) Majority support shall be deemed sufficient only if both of the following conditions are met:
- (1) At least five percent (5%) of eligible voters, as defined in this Section, participate in the local ballot; and
 - (2) More than fifty percent (50%) of participating voters affirm support for the development of the proposed nuclear power station at the designated location.

A ballot that fails to meet the minimum participation threshold shall be considered null and void.

COMELEC shall, within one (1) year from the passage of this Act, establish and implement the procedures necessary to conduct the local ballot as prescribed herein.

Following the conclusion of a local ballot, COMELEC shall certify the results and publicly release a report detailing:

- (a) Total number of eligible voters;
- (b) Total number of participating voters;
- (c) Vote counts in favor and against the proposed nuclear power station; and
- (d) Confirmation of whether the minimum support threshold has been met.

The certified results shall be published within fifteen (15) calendar days from the close of the ballot, through official gazettes and publicly accessible platforms designated by COMELEC.

In the event that a ballot is declared void due to insufficient participation, COMELEC shall conduct a re-ballot within ninety (90) calendar days. Such re-ballot shall be subject to the same eligibility criteria and procedural requirements as the original ballot.

ARTICLE VIII: SECURITY OF SUPPLY MEASURES

Sec.37. Purpose of Article VIII

This Article is intended to mitigate the impact of energy commodity price fluctuations on domestic electricity prices, enhance energy security, and reduce reliance on foreign currency reserves for the procurement of fuels on international markets.

Sec.38. Strategic Uranium Stockpile

A strategic uranium reserve (“Reserve”) is hereby established under the direction of the Office of Nuclear Energy to safeguard consumers against commodity price volatility in uranium markets.

The reserve shall comprise any combination of:

- (a) Physical inventory of natural uranium (yellowcake), or intermediate forms such as enriched uranium product; and
- (b) Commercial instruments including futures contracts, options, book transfers or bilateral storage and fabrication arrangements with states that produce uranium or provide fuel cycle services, provided such states have a nuclear cooperation agreement in place with the Republic of the Philippines.

The quantity represented by the Reserve shall equal three (3) years of nuclear fuel requirements for the installed nuclear generating capacity of the Philippines, calculated using a ninety percent (90%) capacity factor.

The ERC shall establish an Energy Security Tariff, the proceeds of which shall be disbursed to a fund managed by the Office of Nuclear Energy to finance the Reserve in all its accepted forms.

The ERC shall set the Energy Security Tariff at a rate sufficient to procure the required incremental reserve quantity within five (5) years of new nuclear generating capacity commencing commercial operation.

The tariff-setting methodology shall prioritize affordability and long-term tariff stability, while ensuring timely achievement of energy security objectives.

Physical inventory shall be stored in suitable facilities in the Philippines (such as military bases or roofed interim storage low level or intermediate level waste facilities), or held under arrangements with states producing uranium or providing fuel cycle services and with which the Philippines has a nuclear cooperation agreement in place.

Sec.39. Use of the Reserve

The Office of Nuclear Energy shall promulgate rules requiring nuclear power plants to utilise the Reserve periodically to maintain liquidity and manage the condition and disposition of the Reserve.

Permitted uses shall include:

- (a) Civil nuclear energy generation, as directed by the Office of Nuclear Energy; and
- (b) Government research, as directed by the Office of Nuclear Energy, in all cases, as required for the promotion and sustainment of the Philippine civil nuclear energy sector.

Sec.40. Safety Stock of Fabricated Fuel Assemblies

Unless the Office of Nuclear Energy determines otherwise, to ensure continuity of nuclear operations during supply chain disruptions, each operating reactor shall maintain an onsite safety stock of fabricated fuel assemblies equivalent to one refueling cycle reload for conventional light water reactors and one (1) year of continuous operation for other types of reactors.

Costs incurred in maintaining the safety stock shall be classified as legitimate operating and maintenance (O&M) expenditures and recovered as passthrough costs under ERC regulations.

Sec.41. Reducing the Electricity Sector's Reliance on Foreign Currency

To recognize the strategic contribution of nuclear energy in mitigating the erosion of the Philippines' foreign currency reserves, the ERC shall, within one hundred eighty (180) days of the effectivity of this Act, in consultation with the Bangko Sentral ng Pilipinas BSP and the Office of Nuclear Energy, establish the credit mechanism described in this Section and integrate its principles into electricity tariff-setting protocols, including generation mix valuation, technology benchmarking, and foreign exchange sensitivity modeling.

This mechanism shall be design to:

- (a) Quantify the foreign exchange advantages attributable to nuclear energy, including:
 - (i) Avoided depletion of foreign exchange reserves associated with importing fuels such as coal and liquified natural gas;
 - (ii) The dual stability of nuclear fuel procurement, arising from:
 - a. Commodity price insulation, due to long-term contracting and lower market volatility; and
 - b. Intrinsic energy density, which allows nuclear generation to produce large amounts of electricity from small volumes of fuel, resulting in fuel costs

comprising a substantially smaller proportion of total generation costs, thereby reducing sensitivity to fluctuations in the foreign current exchange value of the Philippine peso.

- (iii) The share of nuclear capital investment payable in domestic currency, compared to technologies with high foreign exchange intensity.
- (b) Recognize the role of nuclear energy in safeguarding the value of overseas remittances by reducing the proportion diverted to commodity imports for the electricity sector; and
- (c) Inform ERC decision-making on generation mix planning, technology valuation, and long-term tariff setting, with weighting for lifecycle foreign currency exposure.

ARTICLE IX: ZERO-EMISSIONS ENERGY SOURCES PARITY

Sec.42. Purpose of Article IX

The purpose of this Article is to establish the principle that all zero-emissions energy sources primarily used for electricity generation shall receive equal treatment with respect to concessions, revenue mechanisms, and other benefits afforded under Republic Act No. 9513, otherwise known as the “Renewable Energy Act of 2008”.

Sec.43. Parity between Zero-Emissions Energy Sources for Electricity Generation

Within six (6) months of the passage of this Act, the DOE and ERC shall revise all rules, regulations and eligibility criteria to ensure that all zero-emissions energy sources primarily used for electricity generation have equal access to all concessions, revenue mechanisms, and other benefits enjoyed by electricity generating technologies identified in (RA9513) in accordance with the following principles:

- (a) The DOE and ERC shall revise applicable rules, regulations, and eligibility criteria as if all references to "renewable", "renewables", "solar", "wind", "hydro", and "biomass" within RA9513 were substituted with the term "zero-emissions energy source" which shall include nuclear energy;
- (b) No zero-emissions energy source shall be granted preferential treatment or greater access to concessions, benefits, or revenue mechanisms defined in RA9513 relative to another, when measured on a per megawatt-hour (MWh) basis;

- (c) In the event that Republic Act No. 9513 is repealed, any zero-emissions energy source that did not qualify for the concessions, revenue mechanisms, or benefits under RA9513 prior to the enactment of this Act shall continue to receive equivalent access to such concessions, mechanisms, and benefits for a period sufficient to ensure parity in duration of access across all zero-emissions energy sources;
- (d) The Office of Nuclear Energy shall evaluate differences in project development timelines among zero-emissions energy sources and develop appropriate rules to ensure that technologies with longer gestation periods receive access to concessions, revenue mechanisms, and benefits for a duration that provides equitable long-term impact. The DOE and ERC shall administer and enforce these rules as promulgated by the Office of Nuclear Energy.

Sec.44. Prohibiting Benefits Stacking

A nuclear power plant shall not be eligible to receive both a concession, revenue mechanism, or benefit granted under this Act and an equivalent incentive provided under RA9513.

Within one (1) year of the passage of this Act, the Office of Nuclear Energy shall promulgate rules to prevent benefit stacking by nuclear power plant developers. These rules shall include criteria for determining equivalency of concessions, revenue mechanisms, and benefits. The DOE and ERC shall be responsible for administering and enforcing these rules.

Each nuclear power plant developer shall report to the Office of Nuclear Energy the specific concessions, revenue mechanisms, or benefits it elects to receive under this Act or RA9513, and affirm that no equivalent benefit is concurrently being accessed.

ARTICLE X: USE OF THE EXISTING NUCLEAR ENERGY ASSETS OF THE PHILIPPINES OR ALTERNATIVE GOVERNMENT DEVELOPMENT OF FIRST NEW NUCLEAR GENERATION CAPACITY

Sec.45. Purpose of Article X

The purpose of this Article is to establish the principles by which the existing nuclear energy assets of the Philippines will be identified and utilised as the basis of and to develop the nuclear power program of the Philippines. This Article also provides for an alternative approach to development of the first 6,000 MWe of new nuclear generation capacity by the Government.

Sec.46. Identification of Existing Nuclear Energy Assets

This Act recognises the following infrastructure as the existing nuclear energy assets of the Philippines:

- (a) All existing nuclear facilities, including the Bataan Nuclear Power Plant Unit 1 and all associated equipment, studies, permits, and intellectual property;
- (b) All existing grid interconnections, substations, corridors and rights-of-way historically designed or constructed for nuclear integration;
- (c) All real estate properties owned or controlled by the Government originally designated or suitable for nuclear energy purposes, including the Bataan site;
- (d) The Caliraya Pumped Storage Power Plant and its original tandem peak loading support function as strategic nuclear complement infrastructure; and
- (e) Any existing Government-held nuclear technology assessments, feasibility reports, or engineering packages,
together, the “Existing Assets”.

Sec.47. Disposition of Existing Assets

Ownership of the Existing Assets of the Philippines is hereby transferred to the National Development Corporation (NDC) for the primary purpose of using such Existing Assets to develop and bring into commercial operation existing and new nuclear generating capacity in the Philippines.

Upon transfer of the Existing Assets to the NDC, the NDC shall be responsible for the maintenance and upkeep of these Existing Assets to ensure they retain their readiness for future service.

Sec.48. Principles of Use of Existing Assets

The following uses, and any approved additional uses, may be made of the Existing Assets:

- (a) Use of the assets as an equity contribution towards the refurbishment and startup of the BNPP;
- (b) Use of revenues and net proceeds derived from the following sources, which shall be deposited into a Restricted Nuclear Development Account (“RNDA”) maintained by the NDC:
 - (i) Dividends and distributions from any equity participation; and
 - (ii) Receipts from asset-backed financing.

Subject to approval, funds in the RNDA may only be disbursed to:

- (iv) Finance the construction of new nuclear generating capacity; or
- (v) Pay for pre-construction development activities, including site assessments, feasibility studies, preliminary design work, licensing activities, community engagement and other development-related tasks.

The NDC shall prepare annual report to Congress, which shall include details of receipts and disbursements from the RNDA.

Sec.49. Special Transitional Clause

The rehabilitation, recommissioning, and operation of the Bataan Nuclear Power Plant Unit 1 are hereby declared a continuation of an existing national infrastructure project and shall not be subject to renewed local consent, plebiscite, zoning approval, or community endorsement.

Sec.50. Alternative Government Development

As an alternative to Sec. 46 to 49 inclusive, the development of the first 6,000 MWe of new nuclear generation capacity shall be undertaken by the NDC and the Government shall:

- (a) Appropriate the equity needed to ensure 6,000 MWe of new nuclear generation capacity becomes operational; and
- (b) Provide a sovereign guarantee.

In these circumstances, all the other forms of support shall also be available in accordance with this Act.

ARTICLE XI: NUCLEAR POWER AS A STRATEGIC NATIONAL ASSET

Sec.51. Purpose of Article XI

The purpose of this Article is to ensure nuclear power plants, nuclear fuel supply chains and associated national infrastructure are recognised and treated as strategic national assets.

Sec.52. Nuclear Power as a Strategic National Asset

Nuclear power plants, nuclear fuel supply chains, and associated national infrastructure are hereby declared strategic national assets whose continuity of development and operation are indispensable to national security, energy security, macroeconomic stability, and protection of public welfare.

Sec.53. Exclusive Supreme Court Jurisdiction; Fast Resolution

All challenges involving nuclear power plants shall be filed directly with the Supreme Court and only heard (i) where the party bringing the challenge has standing, without exception; and

(ii) the challenge is not frivolous or vexatious. The Supreme Court shall resolve any challenge with deliberate dispatch.

Sec.54. Prohibition on Interference

No court, except the Supreme Court, shall issue a temporary restraining order, preliminary injunction, or preliminary mandatory injunction against any person or entity, whether public or private, acting under the direction and authorization of the PhilATOM, when such order would directly or indirectly delay, suspend, restrain, obstruct, or otherwise interfere with nuclear power plant development or operations.

The Supreme Court may issue such injunctive relief solely on the basis of demonstrated and material non-compliance with applicable law, regulations, decrees, and terms and conditions of relevant authorizations.

Sec.55. Financial and Contractual Inviolability

No action or proceeding shall impair or modify:

- (a) EPC contracts and milestone schedules;
- (b) Power supply agreements, capacity payments, or offtake obligations;
- (c) Approved tariffs and cost-recovery mechanisms;
- (d) Sovereign guarantees, letters of support, or credit enhancements; or
- (e) Debt service obligations to domestic or foreign lenders.

Sec.56. Preemption of Local and Sectarian Action

Local governments and non-state actors shall have no power to approve, disapprove, delay, condition, or obstruct nuclear activities authorized under this Act.

ARTICLE XII FINAL PROVISIONS

Sec.57. Implementing Rules and Regulations

Within one hundred and eighty (180) days from the effectivity of this Act, the relevant agencies shall promulgate the necessary rules and regulations necessary for the effective implementation of this Act.

Sec.58. Separability Clause

If a provision of this Act is declared unconstitutional or invalid, the other provisions shall not be affected and shall remain in full force and effect.

Sec.59. Repealing Clause

All Acts, executive orders, administrative orders, proclamations, rules and regulations inconsistent with any provisions of this Act, are repealed or modified accordingly.

Sec.60. Effectivity

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