

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



HOUSE OF REPRESENTATIVES

House Bill No. 10902

Introduced by Representatives

ANTONIO B. LEGARDA JR., Lone District of Antique

SERGIO C. DAGOOC, APEC Party-List

PRESLEY C. DE JESUS, PhilRECA Party-List

AN ACT

GRANTING THE ANTIQUE ELECTRIC COOPERATIVE, INC. (ANTECO) A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, OWN, MANAGE, AND MAINTAIN DISTRIBUTION SYSTEMS FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END USERS IN THE MUNICIPALITIES OF ANINI-Y, BARBAZA, BELISON, BUGASONG, CALUYA, CULASI, HAMTIC, LAUA-AN, PATNONGON, SAN JOSE, SAN REMIGIO, SEBASTE, SIBALOM, TIBIAO, TOBIAS FORNIER, AND VALDERRAMA IN ANTIQUE

EXPLANATORY NOTE

Established on December 10, 1972 through Presidential Decree No. 269 and Republic Act No. 6038, the **Antique Electric Cooperative, Inc. (ANTECO)** is the primary electric distribution utility serving member-consumers in the Province of Antique.

ANTECO presently serves sixteen of the province's eighteen municipalities namely: Anini-y, Barbaza, Belison, Bugasong, Caluya, Culasi, Hamtic, Laua-an, Patnongon, San Jose, San Remigio, Sebaste, Sibalom, Tibiao, Tobias Fornier, and Valderrama, covering approximately 537 barangays and 95.06% of its 1,619 sitios. As of December 31, 2025, it provides electricity to 126,635 consumers including households, businesses, government offices, and other end-users.

Beyond power distribution, ANTECO continues to enhance the province's electricity services through system upgrades and rural electrification initiatives. In 2025, it converted 32 kilometers of bare distribution lines into insulated lines and energized new sitios, further improving service reliability and accessibility.

ANTECO has also maintained a Triple A (AAA) category and has received numerous recognitions from the National Electrification Administration (NEA) and the Philippine

recognitions from the National Electrification Administration (NEA) and the Philippine Rural Electrification Administration, Inc. (PHILRECA), reflecting its commitment to reliable and efficient public service.

The continued operation of ANTECO is indispensable to the welfare of its member-consumers and to the development of Antique. Electricity is no longer a mere convenience; it is an essential service that supports education, health care, public safety, commerce, agriculture, tourism, digital connectivity, disaster response, and local governance. Any disruption in the authority of ANTECO to operate its distribution system would directly affect households, businesses, government services, and the broader economic life of the province.

The renewal and grant of a legislative franchise to ANTECO is therefore necessary to ensure the uninterrupted delivery of electric service within its coverage area, sustain its infrastructure development programs, and enable the cooperative to pursue future expansion, modernization, and service-reliability initiatives. A renewed franchise will allow ANTECO to continue fulfilling its mandate of bringing electricity to communities, supporting inclusive growth, and improving the quality of life of the people of Antique.

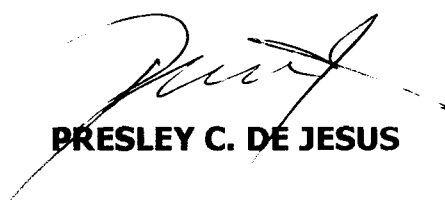
In view of the foregoing, the passage of this bill is earnestly sought.



ANTONIO B. LEGARDA JR.



SERGIO C. DAGOOC



PRESLEY C. DE JESUS

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

HOUSE OF REPRESENTATIVES

House Bill No. ~~1090~~2

Introduced by Representatives

ANTONIO B. LEGARDA JR., Lone District of Antique

SERGIO C. DAGOOC, APEC Party-List

PRESLEY C. DE JESUS, PhilRECA Party-List

AN ACT

GRANTING THE ANTIQUE ELECTRIC COOPERATIVE, INC. (ANTECO) A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, OWN, MANAGE, AND MAINTAIN DISTRIBUTION SYSTEMS FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END USERS IN THE MUNICIPALITIES OF ANINI-Y, BARBAZA, BELISON, BUGASONG, CALUYA, CULASI, HAMTIC, LAUA-AN, PATNONGON, SAN JOSE, SAN REMIGIO, SEBASTE, SIBALOM, TIBIAO, TOBIAS FORNIER, AND VALDERRAMA IN ANTIQUE

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

1 **SECTION 1. *Nature and Scope of Franchise.*** – Subject to the provisions
2 of the Constitution and applicable laws, rules and regulations, there is hereby granted
3 to Antique Electric Cooperative, Inc. (ANTECO), hereunder referred to as the Grantee,
4 its successors or assignees, a franchise to construct, install, establish, operate, own,
5 manage and maintain in the public interest and commercial purposes, a distribution
6 system for the conveyance of electric power to the end-users in the Municipalities
7 of Anini-y, Barbaza, Belison, Bugasong, Caluya, Culasi, Hamtic, Laua-an, Patnongon,
8 San Jose, San Remigio, Sebaste, Sibalom, Tibiao, Tobias Fornier, and Valderrama, all
9 situated in the Province of Antique.

10
11 As used in this Act, "distribution system" refers to the system of wires and
12 associated facilities including sub-transmission lines belonging to or used by a
13 franchised distribution utility extending between the delivery point on the national

1 transmission system or generating facility and the metering point or facility of the end-
2 users.

3
4 **SEC. 2. *Manner of Operation of Facilities.*** – All electric distribution
5 facilities, lines and systems for electric services constructed, installed, established,
6 operated, owned, managed and maintained by the Grantee, its successors or
7 assignees, shall be operated or maintained at all times in a superior manner, and it
8 shall be the duty of the Grantee, its successors or assignees, whenever required to do
9 so by the Energy Regulatory Commission (ERC), or its legal successor, or the
10 Department of Energy (DOE), or its legal successor, or the National Electrification
11 Administration (NEA), or its legal successor, or any other government agency
12 concerned to modify, improve and change such facilities or systems in such manner
13 and to such extent as the progress in science or technology and improvements or
14 innovations in the electric power services may render reasonable and proper.

15
16 Whenever practicable and for purposes of maintaining order, safety, and
17 aesthetics along highways, roads, streets, alleys, or right-of-way, the Grantee may
18 allow the use of free spaces in its poles, facilities, or right-of-way by interested parties
19 upon the payment of reasonable compensation to the Grantee, considering costs
20 incurred to accommodate and administer the use of the Grantee's facilities by such
21 parties. The ERC shall decide in case of dispute or disagreement between the parties.

22
23 **SEC. 3. *Authority of the ERC, NEA and Other Government Agencies.*** –
24 The Grantee shall secure from the ERC, NEA, or any other government agency having
25 jurisdiction over its operations, the Certificate of Public Convenience and Necessity
26 (CPCN) and any other license, permit or authority indispensable for the construction
27 and operation of its electric distribution system.

28
29 **SEC. 4. *Excavation and Restoration Works.*** – For the purpose of erecting
30 and maintaining poles or other supports for said facilities, wires or other conductors
31 or for the purposes of laying and maintaining said facilities, wires, cables or other
32 conductors, it shall be lawful for the Grantee, its successors or assignees, with the
33 prior approval of the Department of Public Works and Highways (DPWH) or the local
34 government unit concerned, as may be appropriate, to make excavations or lay
35 conduits in any of the public places, highways, roads, streets, lanes, alleys, avenues,
36 sidewalks, or bridges of the province, cities, or municipalities: *Provided, however,* That
37 a public place, highway, road, street, lane, alley, avenue, sidewalk, or bridge
38 disturbed, altered, or changed by reason of the erection of poles or other supports or
39 the underground laying of wires, other conductors or conduits shall be repaired or
40 replaced in a workmanlike manner by the Grantee, its successors or assignees, in
41 accordance with the standards set by the DPWH or the local government unit
42 concerned. Should the Grantee, its successors or assignees, after the ten (10)-day
43 notice from the grant of authority, fail, refuse, or neglect to repair or replace any part
44 of a public place, highway, road, street, lane, alley, avenue, sidewalk, or bridge
45 altered, changed, or disturbed by the said Grantee, its successors or assignees, then
46 the DPWH or the local government unit concerned shall have the right to have the

1 same repaired or replaced in good order and condition and charge the Grantee, its
2 successors or assignees, double the amount of the costs and expense incurred for
3 such repair or replacement.

4
5 **SEC. 5. *Responsibility to the Public.*** – The Grantee shall supply electricity
6 to its captive market in the in the least costly manner. In the interest of the public
7 good and as far as feasible and whenever required by the ERC, the Grantee shall
8 modify, improve, or change its facilities, poles, lines, systems and equipment for the
9 purpose of providing efficient and reliable service and reduced electricity costs. The
10 Grantee shall charge reasonable and just power rates for its services to all types of
11 consumers within its franchised areas in order that businesses and industries shall be
12 able to compete.

13
14 The Grantee shall have the obligation to provide open and non-discriminatory
15 access to its distribution system and services for any end-user within its franchise area
16 consistent with Republic Act (RA) No. 9136, otherwise known as the "Electric Power
17 Industry Reform Act of 2001". The Grantee shall not engage in any activity that will
18 constitute an abuse of market power such as unfair trade practices, monopolistic
19 schemes, and other activities that will hinder competitiveness of businesses and
20 industries.

21
22 **SEC. 6. *Rates for Services.*** – The retail rates and charges for the distribution
23 of electric power by the Grantee to its end-users shall be regulated by and subject to
24 the approval of the ERC or its legal successor.

25
26 The Grantee shall identify and segregate in its electricity bill to the end-users
27 the components of the retail rate pursuant to RA No. 9136, unless otherwise amended.
28 Such rates charged by the Grantee to the end-users shall be made public and
29 transparent. The Grantee shall implement a lifeline rate for marginalized end-users as
30 mandated by RA No. 9136.

31
32 **SEC. 7. *Promotion of Consumer Interests.*** – The herein Grantee shall
33 establish a customer desk that will handle consumer complaints and ensure adequate
34 promotion of consumer rights. The Grantee shall act with dispatch on all such
35 complaints brought before it.

36
37 **SEC. 8. *Commitment to Provide and Promote the Creation of***
38 ***Employment Opportunities.*** – The Grantee shall create employment opportunities
39 and shall allow on-the-job training in their franchise operation: *Provided*, That priority
40 shall be accorded to the residents where their principal office is located: *Provided*,
41 *further*, That the Grantee shall comply with the applicable labor standards and
42 allowance entitlement under existing labor laws, rules and regulations, and similar
43 issuances: *Provided*, finally, That the employment opportunities or jobs created shall
44 be reflected in the General Information Sheet (GIS) to be submitted to the Cooperative
45 Development Authority (CDA) annually.

1 **SEC. 9. *Right of the Government.*** – A special right is hereby reserved to
2 the President of the Philippines, in times of war, rebellion, public peril, calamity,
3 emergency, disaster or disturbance of peace and order, to temporarily take over and
4 operate the stations or facilities of the Grantee; to temporarily suspend the operation
5 of any station or facility in the interest of public safety, security and public welfare; or
6 to authorize the temporary use and operation thereof by any agency of the
7 government, upon due compensation to the Grantee, for the use of the stations or
8 facilities during the period when these shall be so operated.

9
10 **SEC. 10. *Right of Eminent Domain.*** – Subject to the limitations and
11 procedures prescribed by law, the Grantee is authorized to exercise the right of
12 eminent domain insofar as it may be reasonably necessary for the efficient
13 maintenance and operation of its services. The Grantee is authorized to install and
14 maintain its poles, wires, and other facilities over and across public property, including
15 streets, highways, forest reserves, and other similar property of the Government of
16 the Philippines, its branches, or any of its instrumentalities. The Grantee may acquire
17 such private property as is actually necessary for the realization of the purposes for
18 which this franchise is granted: *Provided*, That proper expropriation proceedings shall
19 have been instituted and just compensation paid.

20
21 **SEC. 11. *Term of the Franchise.*** – This franchise shall be for a term of
22 twenty-five (25) years that shall commence from the date of expiration of BENEKO's
23 existing franchise, unless sooner cancelled. This franchise shall be deemed ipso facto
24 revoked in the event that the Grantee fails to operate continuously for two (2) years.

25
26 **SEC. 12. *Warranty in Favor of the National and Local Governments.*** –
27 The Grantee shall hold the national, provincial, city and municipal governments of the
28 Philippines free from all claims, accounts, demands, or actions arising from accidents
29 causing injury to persons and damage to property, during the construction,
30 installation, operation, and maintenance of the distribution system of the Grantee.

31
32 **SEC. 13. *Liability for Damages.*** – The Grantee shall be liable for any injury
33 to persons and damage to property arising from accidents by reason of any defective
34 construction under this franchise or of any neglect or omission to keep its poles and
35 wires in safe condition.

36
37 **SEC. 14. *Sale, Lease, Transfer, Usufruct, or Assignment of the***
38 ***Franchise.*** – The Grantee shall not sell, lease, transfer, grant to usufruct of, or assign
39 this franchise or the rights and privileges acquired thereunder to any person, firm,
40 company, corporation or other commercial or legal entity, or merge with any other
41 corporation, or entity, or transfer the controlling interest of the Grantee, whether as a
42 whole or in part, and whether simultaneously or contemporaneously, to any person,
43 firm, company, corporation, or entity without the prior approval of the
44 Congress: *Provided*, That Congress shall be informed of any lease, transfer, grant of
45 usufruct of, sale, or assignment of the franchise or the rights and privileges acquired
46 thereunder, or of the merger, or sale of the controlling interest within sixty (60) days

1 after the completion of said transaction: *Provided, further*, That, any such transfer,
2 sale, or assignment is in accordance with the constitutional limitations: *Provided*,
3 *furthermore*, That failure to report to Congress such change of ownership shall render
4 the franchise ipso facto revoked: *Provided*, finally, That any person or entity to which
5 this franchise is sold, transferred, or assigned shall be subject to the same conditions,
6 terms, restrictions, and limitations of this Act.

7
8 **SEC. 15. Reportorial Requirement.** – The Grantee shall submit an annual
9 report to the Congress, through the Committee on Legislative Franchises of the House
10 of Representatives and the Committee of Public Services of the Senate, on its
11 compliance with the terms and conditions of the franchise and on its operations on or
12 before April 30 of every year during the term of the franchise. The reportorial
13 compliance certificate issued by Congress shall be required before any application for
14 permit or certificate is accepted by the ERC.

15
16 **SEC. 16. Fine.** – The failure of the Grantee to submit the requisite annual
17 report to Congress shall be penalized with a fine in the amount of Five hundred pesos
18 (P500.00) per working day of non-compliance which shall be collected by the ERC.
19 The fine shall be collected separately from the reportorial penalties imposed by the
20 ERC and shall be remitted to the Bureau of Treasury.

21
22 **SEC. 17. Equality Clause.** – Any advantage, favor, privilege, exemption, or
23 immunity granted under existing franchises, or which may hereafter be granted, upon
24 prior review and approval of Congress, shall become part of this franchise and shall
25 be accorded immediately and unconditionally to the herein Grantee: *Provided*,
26 *however*, That the foregoing shall neither apply to nor affect provisions concerning
27 territory covered by the franchise, the life span of the franchise or the type of service
28 authorized by the franchise: *Provided, further*, That the foregoing shall not apply to
29 sale, lease, transfer, grant of usufruct, or assignment of legislative franchises with
30 prior congressional approval.

31
32 **SEC. 18. Applicability of Existing Laws.** – The Grantee shall comply with
33 and be subject to the relevant provisions of Commonwealth Act No. 146 or the "Public
34 Services Act", as amended; Republic Act No. 9136; Republic Act No. 10531 or the
35 "National Electrification Administration Reform Act of 2013"; and RA No. 9520 or the
36 "Philippine Cooperative Code of 2008".

37
38 **SEC. 19. Existing Powers.** – Existing mandates, powers, functions, and
39 privileges granted to electric cooperatives under existing laws, including Section 10 of
40 RA No. 10531, otherwise known as the "National Electrification Administration Reform
41 Act of 2013", shall remain valid and effective, unless expressly repealed by succeeding
42 laws.

43
44 **SEC. 20. Repealability and Non-Exclusivity Clause.** – This franchise shall
45 be subject to amendment, alteration, or repeal by the Congress of the Philippines

1 when the public interest so requires and shall not be interpreted as an exclusive grant
2 of the privileges herein provided for.

3
4 **SEC. 21. *Separability Clause.*** – If any of the sections or provisions of this
5 Act is held invalid, all other provisions not affected thereby shall remain valid.

6
7 **SEC. 22. *Repealing Clause.*** – All laws, presidential decrees, executive
8 orders, letters of instruction, administrative rules and regulations, or parts thereof,
9 which are contrary to or inconsistent with the provisions of this Act, are hereby
10 repealed or modified accordingly.

11
12 **SEC. 23. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
13 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,