

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

18th Congress

FIRST REGULAR SESSION

House Resolution No. 324



Introduced by REPRESENTATIVE JULIETTE T. UY

A RESOLUTION

URGING THE DEPARTMENT OF ENERGY TO DIRECTLY REMIT TO THE MUNICIPALITY OF VILLANUEVA ITS EQUITABLE SHARE IN THE PROCEEDS OF THE UTILIZATION OF THE NATIONAL WEALTH BY THE INDEPENDENT POWER PRODUCERS LOCATED IN AND HOSTED BY THE LOCAL GOVERNMENT UNIT.

WHEREAS, Section 7, Article X of the Constitution of the Republic of the Philippines **entitles** local governments to an equitable share in the proceeds of the utilization and development of the national wealth within their respective areas, in the manner provided by law, including sharing the same with the inhabitants by way of direct benefits;

WHEREAS, Sections 289 to 294 of Republic Act No. 7160 otherwise known as the Local Government Code of 1991 provides that local governments are **guaranteed** of their equitable share in the proceeds derived from the utilization and development of the national wealth within their respective areas, including sharing the same with the inhabitants by way of direct benefits;

WHEREAS, Section 5 letter "i" of Republic Act No. 7638 otherwise known as the "Department of Energy Act of 1992" provides for the spirit and intent of Section 7, Article X of the Constitution of the Republic of the Philippines; and Sections 289 to 294 of Republic Act No. 7160 otherwise known as the Local Government Code of 1991; **by mandating** the Department of Energy to devise ways and means to give direct benefits to the province, city or municipality, especially the community and people affected, and equitable and preferential benefit to the region that hosts the energy resource and/or the energy-generating facility; provided however, that the other provinces, cities, municipalities, or regions shall not be deprived of their energy requirements;

WHEREAS, Section 66 of Republic Act No. 9136 otherwise known as the Electric Power Industry Reform Act of 2000 **reaffirms** the mandates and obligations of generation companies and energy resource developers to communities hosting energy generating facilities and / or energy resource developers as defined in Sections 289 to 294 of Republic Act No. 7160 and Section 5 letter "i" of Republic Act No. 7638;

WHEREAS, Chapter 2 of Energy Regulation No. 1-94 entitled "Rural Power Projects" was issued by the Department of Energy in 1994 to **implement** the pertinent provisions of Republic Act Nos. 7160, 7638 and 9136;

WHEREAS, the Municipality of Villanueva as the host community for the independent power producers, is the direct beneficiary of such equitable shares from the utilization of the natural wealth through a continuing electrification project by the Department of Energy implemented under Energy Regulation No. 1-94;

WHEREAS, the Municipality of Villanueva shall use the funds only for electrification programs and as such shall exercise complete control on the disbursement of the funds in the implementation of the locality's electrification project;

WHEREAS, any unutilized funds arising from the completion of the electrification projects in the Municipality of Villanueva shall be extended to other local government units who maybe in need of such funds for their own electrification projects.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to urge the DEPARTMENT of ENERGY to directly remit to the Municipality of Villanueva its equitable share in the proceeds of the utilization of the national wealth by the independent power producers located and hosted by the local government unit.

Adopted.

JULIETTE T. UY
Representative
2nd District of Misamis Oriental