

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

For subsidy requirements in accordance with the project(s) as indicated hereunder.....P 2,036,939,000
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New Appropriations, by Program
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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
Operations				
NATIONAL RURAL ELECTRIFICATION PROJECT		P 2,036,939,000		P 2,036,939,000
TOTAL NEW APPROPRIATIONS		P 2,036,939,000		P 2,036,939,000
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Special Provision(s)

1. Subsidy to the National Electrification Administration. The amount of One Billion Eight Hundred Sixty Six Million Five Hundred Ninety Thousand Pesos (P1,866,590,000) appropriated herein as subsidy for the NEA shall be used in support of the following projects:

(a) Sitio Electrification Projects - P1,817,100,000

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(b) Construction of Distribution Lines in Barangays Kasanyangan and Rio Mondo, Zamboanga City under the Zamboanga City Roadmap to Recovery and Reconstruction (Z3R) - P49,490,000

The NEA is authorized to deduct engineering and administrative overhead (EAO) expenses not exceeding two percent (2%) of the project cost. The authorized EAO expenses shall be limited to: (i) pre-construction activities after detailed engineering; (ii) construction project management; (iii) testing and quality control; (iv) acquisition, rehabilitation and repair of related equipment and parts; and (v) contingencies in relation to pre-construction activities. The EAO expenses shall be treated or booked-up as capitalized expenditures and form part of the project cost.

In the implementation of the Sitio Electrification Projects, the NEA shall observe the following:

- (a) Prioritize sitios where the absolute number of indigents and the incidence of poverty are high as identified in the latest official poverty statistics of the PSA as well as those with the high probability of being energized;
- (b) Loans outlay to electric cooperatives shall be recorded as equity contribution of the National Government to NEA when its authorized capitalization is increased by law, while grants thereto remain to be treated as subsidy; and
- (c) Prohibition on the use of subsidy for the payment of salaries, allowances, incentives, separation or retirement benefits.

Release of funds for Sitio Electrification Projects shall be subject to the submission of a certification from the barangay chairperson on the population and number of houses per sitio, map of the municipality or city indicating the sitios and barangays to be energized and cost of energizing a sitio.

The NEA shall submit its quarterly reports on the utilization of funds with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on NEA website for a period of three (3) years. The Administrator of NEA shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

2. Quick Response Fund. The amount of One Hundred Million Pesos (P100,000,000) appropriated herein for the Quick Response Fund (QRF) shall serve as a standby fund to be used for the replacement, reconstruction, rehabilitation and/or repair of distribution facilities in order that the situation and living conditions of people in communities or areas stricken by calamities, epidemics, crises and catastrophes, which occurred in the last quarter of the immediately preceding year and those occurring during the current year may be normalized as quickly as possible. In no case shall the QRF be used for pre-disaster activities, nor be realigned for any other purpose not authorized in this Act.

The NEA shall submit to the DBM, the National Disaster Risk Reduction and Management Council, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the status of the utilization of the QRF. The Administrator of NEA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the NEA website.

3. Special Provisions Applicable to all Government Corporations. In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NEA.

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
Operations				
Access to electrification expanded		P 2,036,939,000		P 2,036,939,000
NATIONAL RURAL ELECTRIFICATION PROJECT		2,036,939,000		2,036,939,000
Sitio Electrification Sub-program		2,036,939,000		2,036,939,000
Project(s)				
Locally-Funded Project(s)		2,036,939,000		2,036,939,000
Sitio Electrification Project		1,817,100,000		1,817,100,000

Construction of Power Distribution Lines in Barangays Kasanyangan and Rio Mondo, Zamboanga City under the Zamboanga City Roadmap to Recovery and Reconstruction (ZRR)	49,490,000	49,490,000
Quick Response Fund	100,000,000	100,000,000
Installation of Transformers in Public Schools	9,000,000	9,000,000
Rural Electrification, Kapalong and San Isidro, Davao del Norte	61,349,000	61,349,000
Sub-total, Operations	2,036,939,000	2,036,939,000
TOTAL NEW APPROPRIATIONS	P 2,036,939,000	P 2,036,939,000
New Appropriations, by Object of Expenditures		
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(In Thousand Pesos)		
Current Operating Expenditures		
Maintenance and Other Operating Expenses		
Financial Assistance/Subsidy		2,036,939
Total Maintenance and Other Operating Expenses		2,036,939
Total Current Operating Expenditures		2,036,939
TOTAL NEW APPROPRIATIONS		2,036,939
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B.2. NATIONAL POWER CORPORATION

For subsidy requirements in accordance with the program(s) and project(s), as indicated hereunder.....P 2,080,702,000

New Appropriations, by Program

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PROGRAMS	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
Operations	P 2,080,702,000			P 2,080,702,000
MISSIONARY ELECTRIFICATION PROGRAM		2,080,702,000		2,080,702,000
TOTAL NEW APPROPRIATIONS	P 2,080,702,000			P 2,080,702,000
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Special Provision(s)

1. Subsidy to the National Power Corporation. The amount of One Billion Two Hundred Sixty Two Million Two Hundred Eighty Two Thousand Pesos (P1,262,282,000) appropriated herein as subsidy for NPC shall be used for the capital requirements of the Small Power Utilities Group (SPUG).

Release of funds shall be subject to the submission of: (i) program of work for each SPUG plant covered indicating the project description and implementation schedule; and (ii) originating letter request from electric cooperatives which shall contain the description of work.

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The NPC shall submit its quarterly reports on the utilization of funds with electronic signature to the DDM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on NPC website for a period of three (3) years. The President of NPC shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

2. Subsidy to the National Power Corporation for Implementation of Transmission Lines. The following amounts appropriated herein as subsidy for NPC shall be used exclusively for the purposes specified:

- (a) Palawan-Taytay 69KV Substation Project - P52,497,000
- (b) Construction of Mindoro-Mansalay-San Jose 69KV Transmission Line Project - P415,709,000
- (c) Marinduque-Boac IONCA Substation Project - P44,643,000
- (d) Rehabilitation of Boac-Torrijos 69KV Transmission Line Project - P305,571,000

In no case shall said amounts be used for any other purpose.

The NPC shall submit its quarterly reports on the utilization of funds with electronic signature to the DDM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on NPC website for a period of three (3) years. The President of NPC shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. Special Provisions Applicable to All Government Corporations. In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NPC.

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
Operations				
Access to electrification expanded		P 2,080,702,000		P 2,080,702,000
MISSIONARY ELECTRIFICATION PROGRAM		2,080,702,000		2,080,702,000
Commissioning of additional generating capacity		1,262,282,000		1,262,282,000
Project(s)				
Locally-Funded Projects		818,420,000		818,420,000
Construction of Transmission Lines and Substation Facilities		818,420,000		818,420,000
Sub-total, Operations		2,080,702,000		2,080,702,000
TOTAL NEW APPROPRIATIONS		P 2,080,702,000		P 2,080,702,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy

2,080,702

Total Maintenance and Other Operating Expenses

2,080,702

DECEMBER 29, 2017

OFFICIAL GAZETTE

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BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

Total Current Operating Expenditures

2,080,702

TOTAL NEW APPROPRIATIONS

2,080,702