

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

For subsidy requirements in accordance with the program(s) and project(s) as indicated hereunder.....P 2,299,625,000

New Appropriations, by Program

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Current Operating Expenditures

PROGRAMS	Personnel	Maintenance	Capital	Total
	Services	and Other Operating Expenses	Outlays	
Operations				
NATIONAL RURAL ELECTRIFICATION PROGRAM		P 2,299,625,000		P 2,299,625,000
TOTAL NEW APPROPRIATIONS		P 2,299,625,000		P 2,299,625,000

Special Provision(s)

1. Subsidy to the National Electrification Administration. The amount of Two Billion Two Hundred Ninety Nine Million Six Hundred Twenty Five Thousand Pesos (P2,299,625,000) appropriated herein under the subsidy to NEA shall be used for the implementation of the National Rural Electrification Program.

The NEA is authorized to deduct engineering and administrative overhead (EAO) expenses not exceeding three percent (3%) 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; and
- (b) 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 following: a) submission of national unified electrification strategy as certified by DOE; b) submission of parameters for the selection of beneficiary sitios as certified by DOE; and c) 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.

2. Subsidy for the Quick Response Fund. The amount of One Hundred Million Pesos (P100,000,000) appropriated herein as subsidy for the Quick Response Fund (QRF) shall serve as a stand-by fund to be used for the replacement, reconstruction, rehabilitation or repair of distribution facilities in order that the situation and living conditions of people in communities or areas affected by natural or human-induced 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, such as conduct of training, insurance of assets, and public information and information initiatives, or any other purpose not authorized in this Act.

3. Electric Cooperatives Emergency and Resiliency Fund. The amount of Five Hundred Million Pesos (P500,000,000) appropriated herein shall be used exclusively for the Electric Cooperatives Emergency and Resiliency Fund pursuant to R.A. No. 11039, otherwise known as the "Electric Cooperatives Emergency and Resiliency Fund Act".

4. Prior Years' Subsidy Releases from the National Government. The NEA is hereby authorized to use subsidy released for programs and projects in 2017 and prior years to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NEA shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NEA's Board of Administrators, to be submitted to the DBM for approval.

5. 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

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	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
Operations				
Access to electrification expanded		P 2,299,625,000		P 2,299,625,000
NATIONAL RURAL ELECTRIFICATION PROGRAM		<u>2,299,625,000</u>		<u>2,299,625,000</u>
Sitio Electrification Sub-program		<u>2,299,625,000</u>		<u>2,299,625,000</u>
Project(s)		<u>2,299,625,000</u>		<u>2,299,625,000</u>
Locally-Funded Project(s)		<u>2,299,625,000</u>		<u>2,299,625,000</u>
Sitio Electrification Project		1,398,825,000		1,398,825,000
Quick Response Fund		100,000,000		100,000,000
Philippine Counterpart on the Japan International Cooperation Agency Donation for Bangsamoro Autonomous Region in Muslim Mindanao Electric Cooperatives		145,837,000		145,837,000
Electrification of LGUs/NGOs Resettlement Sites		109,963,000		109,963,000
Electric Cooperatives Emergency and Resiliency Fund		500,000,000		500,000,000
Establishment of Customer Management and Quick Response System for Selected Electric Cooperatives		45,000,000		45,000,000
Camarines Sur II Electric Cooperativa, Inc.		15,000,000		15,000,000
Central Pangasinan Electric Cooperative, Inc.		15,000,000		15,000,000
Tablas Island Electric Cooperative, Inc.		15,000,000		15,000,000
Sub-total, Operations		<u>2,299,625,000</u>		<u>2,299,625,000</u>
TOTAL NEW APPROPRIATIONS		<u>P 2,299,625,000</u>		<u>P 2,299,625,000</u>

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy			2,299,625
Total Maintenance and Other Operating Expenses			<u>2,299,625</u>
Total Current Operating Expenditures			<u>2,299,625</u>
TOTAL NEW APPROPRIATIONS			<u>2,299,625</u>

B.2. NATIONAL POWER CORPORATION

For subsidy requirements in accordance with the program(s) and project(s), as indicated hereunder.....P 1,186,206,000

New Appropriations, by Program

PROGRAMS	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
Operations		P 1,186,206,000		P 1,186,206,000
MISSIONARY ELECTRIFICATION PROGRAM		1,186,206,000		1,186,206,000
TOTAL NEW APPROPRIATIONS		P 1,186,206,000		P 1,186,206,000

Special Provision(s)

1. Subsidy to the National Power Corporation. The amount of One Billion One Hundred Eighty Six Million Two Hundred Six Thousand Pesos (P1,186,206,000) appropriated herein under the subsidy to NPC shall be used for the capital requirements of the Missionary Electrification Program.

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

2. Prior Years' Subsidy Releases from the National Government. The NPC is hereby authorized to use subsidy released for programs and projects in 2017 and prior years to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NPC shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NPC's Board of Directors, to be submitted to the DBM for approval.

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

PROGRAMS	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
Operations				
Access to electrification expanded		P 1,186,206,000		P 1,186,206,000
MISSIONARY ELECTRIFICATION PROGRAM		1,186,206,000		1,186,206,000
Commissioning of additional generating capacity		900,520,000		900,520,000
Project(s)				
Locally-Funded Projects		285,686,000		285,686,000
Construction of Transmission Line and Substation Facilities		285,686,000		285,686,000

Tap-Uson (Mobo Cataingan) 69KV Transmission Line Project	8,462,000	8,462,000
Uprating of Mobo Substation	195,428,000	195,428,000
Naujan Switching Station	40,898,000	40,898,000
Puerto Galera Switching Station	40,898,000	40,898,000
Sub-total, Operations	----- 1,186,206,000	----- 1,186,206,000
TOTAL NEW APPROPRIATIONS	P 1,186,206,000 ----- -----	P 1,186,206,000 ----- -----

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy

1,186,206

Total Maintenance and Other Operating Expenses

1,186,206

Total Current Operating Expenditures

1,186,206

TOTAL NEW APPROPRIATIONS

1,186,206
