

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

For subsidy and equity requirements in accordance with the program and project, as indicated hereunder.....P 3,021,892,000  
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New Appropriations, by Programs/Projects  
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Current Operating Expenditures -----			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays
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A. REGULAR PROGRAMS			
3000000000000000 Operations			
NATIONAL RURAL ELECTRIFICATION PROGRAM		2,046,892,000	470,000,000
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Total, Regular Programs		2,046,892,000	470,000,000
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B. PROJECT(S)			
Locally-Funded Project(s)		505,000,000	505,000,000
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Total, Project(s)		505,000,000	505,000,000
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TOTAL NEW APPROPRIATIONS	P 2,551,892,000	P 470,000,000	P 3,021,892,000
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Special Provision(s)

1. Subsidy to the National Electrification Administration. The amount of Two Billion Five Hundred Fifty One Million Eight Hundred Ninety Two Thousand Pesos (P2,551,892,000) 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 Strategized Rural Electrification and Operational Reliability for Electric Cooperatives 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;

(c) Release funds only to electric cooperatives which have fully liquidated funds from previous years' electrification projects: PROVIDED, HOWEVER, That in cases where the electric cooperatives are not qualified to implement projects for barangay and sitio electrification, the NEA may enter into a MOA with DPWH, and the latter through its district engineering offices will implement the project; and

(d) Prohibition on the use of subsidy for the payment of salaries, allowances, incentives, separation or retirement benefits.

Release of funds for Strategized Rural Electrification and Operational Reliability for Electric Cooperatives Projects shall be subject to the following: (i) submission of National Total Electrification Roadmap as certified by the DOE; (ii) submission of parameters for the selection of beneficiary sitios as certified by the DOE; and (iii) 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. Electric Cooperatives Emergency and Resiliency Fund. The amount of Two Hundred Million Pesos (P200,000,000) appropriated herein shall be used exclusively for the Electric Cooperatives Emergency and Resiliency Fund pursuant to R.A. No. 11039.

3. Prior Years' Subsidy Releases from the National Government. The NEA is hereby authorized to use subsidy released for programs and projects in 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.

4. Equity from National Government. The amount of Four Hundred Seventy Million Pesos (P470,000,000) shall be used as loans outlay to electric cooperatives and shall be recorded as equity contribution of the National Government to NEA.

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

		Current Operating Expenditures		
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays
				Total
REGULAR PROGRAMS				
3000000000000000	Operations			
3101000000000000	NATIONAL RURAL ELECTRIFICATION PROGRAM	P	2,046,892,000	470,000,000
	Sub-total, Operations		2,046,892,000	470,000,000
	Total, Regular Programs		2,046,892,000	470,000,000
PROJECT(S)				
Locally-Funded Project(s)				
310101200012000	Electric Cooperatives Emergency and Resiliency Fund		200,000,000	200,000,000
310101200022000	Construction of Underground Powerlines Phase 3, Brgy. Esteves, Casiguran, Aurora		105,000,000	105,000,000
310101200023000	Construction of Underground Powerlines Phase 4, Brgy. Esteves, Casiguran, Aurora		185,000,000	185,000,000
310101200024000	Installation of Solar Power System at the Sangguniang Panlungsod Building, Zamboanga City, Zamboanga del Sur		15,000,000	15,000,000

Sub-total , Locally-Funded Project(s)	505,000,000		505,000,00
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Total , Project(s)	505,000,000		505,000,00
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TOTAL NEW APPROPRIATIONS	P 2,551,892,000	P 470,000,000	P 3,021,892,000
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New Appropriations, by Object of Expenditures  
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(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses		
Financial Assistance/Subsidy		2,551,892
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Total Maintenance and Other Operating Expenses		2,551,892
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Total Current Operating Expenditures		2,551,892
		-----
Capital Outlays		
Investment Outlay		470,000
		-----
Total Capital Outlays		470,000
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TOTAL NEW APPROPRIATIONS		3,021,892
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