



**JOINT CIRCULAR OF THE DEPARTMENT OF ENERGY (DOE)
AND THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)**

NO. 4, SERIES OF 2024

**PROVIDING FURTHER POLICY GOVERNING THE IMPLEMENTATION OF THE
RELOCATION AND PAYMENT OF ELECTRIC POLES/FACILITIES OWNED BY
THE ELECTRIC COOPERATIVES AFFECTED BY THE IMPLEMENTATION OF
GOVERNMENT PROJECTS**

WHEREAS, on 28 July 2017, DOE-DPWH Joint Circular No. 1 (Joint Circular 1), Series of 2017 titled, *“Prescribing the Uniform Guidelines and Procedures for the Proper Payment of Compensation and/or Recovery of Cost in the Event of the Need to Relocate the Electric Cooperative Distribution/Subtransmission Lines For the Primary Purpose of the Government”*, was promulgated providing that within one (1) year from its effectivity, the National Electrification Administration (NEA) and Electric Cooperative (ECs) shall cause the removal and relocation of obstructing distribution facilities in the government’s right-of-way, subject to the provisions of the circular;

WHEREAS, on 08 May 2019, DOE-DPWH Joint Circular No. 2 (Joint Circular 2), Series of 2019 titled, *“Creation of Inter-Agency Task Force (IATF) for the Final Implementation of Section 13 of the DOE and DPWH Joint Circular No. 1”*, was promulgated extending the period for the relocation of obstructing facilities up to 31 December 2019;

WHEREAS, on 09 March 2021, DOE-DPWH Joint Circular No. 3 (JC3), Series of 2021 titled, *“Providing the Mechanism for the Immediate Relocation of Electric Poles within the National Government’s Right-of-Way and Providing Timeline Thereof”*, was promulgated mandating DPWH and NEA to finalize the list of ECs that can be compensated due to improperly located and obstructing electric poles for immediate relocation, funding, monitoring and validation;

WHEREAS, on 08 June 2023, the Inter-Agency Technical Working Group (IATF-TWG) convened a meeting to resolve the concerns on the immediate relocation of poles relating to the cost recovery for the electric pole relocation through the promulgation of a joint circular;

WHEREAS, in a report provided by NEA as of October 2023, there are 53,017 poles that need to be relocated with an estimated funding of PhP4.3 billion, thus, the

need to provide for a more effective mechanism to ensure the timely relocation of DU facilities affected by the DPWH projects;

NOW THEREFORE, for and in consideration of the foregoing, the DOE and the DPWH hereby resolve to issue, adopt, and promulgate this Joint Circular No. 4 to implement the following:

Section 1. Promulgation of Joint Guidelines between NEA and DPWH. Within six (6) months from effectivity of this Joint Circular, the NEA and the DPWH shall jointly adopt the guidelines which shall provide the procedure for the timely and complete removal and relocation of distribution facilities that obstruct, or are affected by DPWH projects implemented within the national road in the country. The joint guidelines shall cover distribution facilities that are likely or at risk of becoming an obstruction to future DPWH projects within the national road. They shall provide for, among others:

- 1.1 agreed formula for the compensation to the ECs;
- 1.2 procedures and timelines for compensation to the ECs by the DPWH;
- 1.3 procedures for the timely relocation of obstructing and affected facilities;
- 1.4 responsibilities of the DPWH, NEA and the ECs to effectively undertake the relocation of obstructing and affected distribution facilities; and
- 1.5 other necessary provisions to implement this joint circular.

Section 2. Additional Responsibility of the NEA. The NEA shall:

- 2.1 ensure the timely relocation of distribution facilities in line with the Memorandum of Understanding (MOU) duly signed by the DPWH Implementing Office (IO) and the ECs;
- 2.2 ensure the monitoring of disbursement of funds from the DPWH to the ECs;
- 2.3 assist the ECs in seeking regulatory support for the recovery of costs of removal and relocation of affected distribution facilities which may not be covered by the compensation provided under the DPWH-NEA joint guidelines;
- 2.4 undertake necessary action in case of the delay or failure of an EC to relocate obstructing and affected distribution facilities; and
- 2.5 provide semestral reports to the DOE, DPWH, House of Representatives and Senate on the progress of the removal and relocation of obstructing and affected distribution facilities and the payment of compensation to ECs.

Section 3. Additional Responsibility of the DPWH. The DPWH shall:

- 3.1 provide semestral reports to the DOE, NEA, House of Representatives and Senate on the number of electric facilities affected by ongoing and proposed

DPWH projects, disbursements and required appropriation for funds needed as compensation for the removal and relocation activities of ECs for succeeding year/s;

- 3.2 impose sanctions and administrative penalties to personnel of DPWH IOs in the event of failure, without justifiable cause, to follow procedures and timelines under the joint guidelines to be issued by DPWH and NEA;
- 3.3. provide semestral reports to _____ which shall include all Right-of-Way issues encountered by DPWH IOs and the ECs in the removal and relocation of distribution facilities, and relevant recommendations to address them; and
- 3.4 assist NEA and the ECs in coordinating with the proper agency or local government unit concerned regarding the relocation and payment of proper compensation for facilities located within the local roads.

Section 4. Failure to Remove Facilities. In the event an EC fails to remove obstructing and affected distribution facilities without justifiable cause and within the prescribed period as may be indicated in the MOU, the NEA shall have the authority to immediately remove and relocate the electric facilities at the expense of the EC. NEA may impose administrative penalties to the erring EC and its responsible officers.

Section 5. Recovery on the Cost of Relocation. The cost of removal and relocation which is compensated under the joint guidelines shall not form part of the Capital Expenditures filed by the EC before the Energy Regulatory Commission (ERC). All other costs of the EC associated with the removal and relocation which have not been compensated shall be applied with the ERC for approval.

Section 6. Regulatory Support. For the proper implementation of this joint circular, the ERC shall provide regulatory support to ensure the timely recovery by the EC of associated costs in the removal and relocation of distribution facilities, which may not be covered or compensated under the joint guidelines to be promulgated by the DPWH and NEA.

Section 7. Transitory Provisions. The procedures under JC No. 1 may continue to be applied by the DPWH in compensating the ECs relocation of poles until such time that the DPWH and NEA has promulgated the Joint Guidelines and Procedures.

Section 8. Repealing Clause. Upon the effectivity of this Joint Circular, JC No. 1, JC No. 2 and JC No. 3 are hereby repealed accordingly in so far as they are inconsistent with the provision of this Joint Circular. Any issuances contrary or inconsistent with this Joint Circular is hereby repealed, modified or amended accordingly.

Section 9. Separability Clause. Should any provision of this Joint Circular or any part hereof be declared invalid, the remaining provisions, insofar as they are separable from the invalid ones shall remain effective notwithstanding the invalidity of other provisions.

Section 10. Effectivity and Publication. This Joint Circular shall be effective immediately upon publication in two (2) newspapers of national circulation and shall remain in effect until revoked. Copies hereof shall be filed with the University of the Philippines Law Center – Office of National Administrative Register.

Issued on _____ in the City of _____, Philippines.

DEPARTMENT OF ENERGY

**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

By:

By:

RAPHAEL P.M. LOTILLA
Secretary

MANUEL M. BONOAN
Secretary