



NEGROS ORIENTAL II ELECTRIC COOPERATIVE

Dumaguete City

PROPOSED AMENDMENTS TO THE ELECTRIC POWER INDUSTRY REFORM ACT (EPIRA) OF 2001

ISSUE	SPECIFIC PROVISION AFFECTED	PROPOSED AMENDMENTS ON THE PROVISIONS AFFECTED	DISCUSSION OF PROPOSAL
	Chapter 8, Section 66		
	Benefits to Host Communities	Power Benefits:	
Host Communities no longer been enjoying the benefits.	The obligations of generating companies and energy resource developers to communities hosting energy generating facilities and/or energy resource developers as defined under Chapter II, Sections 289 to 294 of the Local Government Code and Section 5(i) of Republic Act No. 7638 and their implementing rules and regulations and applicable orders and circulars consistent with this Act shall continue: Provided, further, That the obligations mandated under Chapter II, Section 291 of Republic Act No. 7160, shall apply to privately-owned corporations or entities utilizing the national wealth of the locality.	(a) Electrification	Provision in SECTION 5 (i) OF REPUBLIC ACT NO. 7638, OTHERWISE KNOWN AS THE "DEPARTMENT OF ENERGY ACT OF 1992 should be stated explicitly because at present, Host Communities are deprived of the benefits.
		The power producer shall set aside twenty-five percent of one centavo (P 0.0025) per kilowatt-hour of the total electricity sales of the energy-generating facility as an electrification fund to be applied exclusively to the missionary electrification . . .	
		(b) Prioritization of load dispatch.	
		In times of energy shortage, the energy-generating facility shall prioritize up to twenty-five percent (25%) of its contracted or available capacity (whichever is lower) which shall be delivered to the appropriate electric utility for distribution	
(c) Reduction in the cost of electricity.	"at least eighty percent (80%) of the proceeds derived from the development utilization of hydrothermal, geothermal, and other sources of energy shall be applied solely to lower the cost of electricity in the local government unit where such a source of energy is located,"		