

ADVISORY FOR THE IMPLEMENTATION OF DC2020-04-0008

TO :

ALL PUBLIC AND PRIVATE CORPORATIONS IN THE

POWER GENERATION

ALL DESIGNATED BENEFICIARIES

FROM

SECRETARY ALFONSO G. CUSI

DATE

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As part of its continuing assistance to the implementation of the Enhanced Community Quarantine which was further extended in certain areas until 15 May 2020 by virtue of Executive Order No. 112 dated 30 April 2020, the Department of Energy (DOE) hereby supplements its Department Circular (DC) No. DC2020-04-0008 entitled "Rationalizing the Utilization of ER 1-94 Funds by LGUs in Response to Covid-19 Public Health Emergency".

In view thereof and in line with the policies and purposes of Republic Act No. 11469 known as "Bayanihan to Heal as One Act", the DOE clarifies certain provisions of the abovementioned DC to make the process more doable and consistent with its intents and objectives.

For the guidance of all Generation Companies (GenCos), Local Government Units (LGUs) and concerned agencies, the following are some clarifications on particular Sections in said DC for the continuity of processes and activities:

1. Remittance of Electrification Fund (EF) as provided in Section 4.2 is hereby clarified and to be interpreted as:

The EF allocation to the Host LGU, except for the regional share, shall be remitted to the Reforestation, Watershed Management, Health and/or Environment Enhancement Fund (RWMHEEF) Trust Account.

While for the Regional Share of EF, the Regional Development Council shall determine its LGU-beneficiaries and the allocated share for EF shall be remitted in the following manner:

- a. For identified Host LGU/s RWMHEEF Trust Account;
- b. For identified Non-Host LGU/s General Account

2. On issuance of Official Receipt - under the same section, all Host or Non-Host LGUs, shall issue an official receipt to the DOE or the GenCo as an acknowledgement of the remitted funds.

On the other hand, in instances where the transaction is made directly to the bank account of the LGU, host or non-host, an acknowledgment receipt is required as proof of the remittance of funds.

3. Utilization of ER Funds as provided in Section 5.1.2 as stated below is hereby clarified and to be interpreted as:

"Provide an emergency subsidy in the form of non-food items when there is delay or insufficiency and to augment existing subsidy programs of the National Government to low income households while the State of Public Health Emergency is still in effect."

Provision of emergency subsidy in the form of non-food items refer to non-cash assistance that can be extended to the affected communities. (e.g. face mask, sulfur soap and the like)

4. Submission of Annual Work Program (AWP) as provided in Section 5.2 is hereby clarified and to be interpreted as:

The period of submission of the AWP is thirty (30) days from 14 April 2020, however, in the case that EF is remitted after the said deadline to the Trust or General account, as applicable, the LGU beneficiary shall prepare a Supplemental AWP within thirty (30) days upon the receipt of the said fund.

All AWPs, regardless of fund source (Development and Livelihood Fund, RWMHEEF, or EF) must be submitted to the concerned GenCos and/or the RDC, as the case maybe.

5. Lastly, on Coverage, Allocation and Application of the ER1-94 Fund as provided in Sections 1 and 3 are hereby clarified as:

All available ER 1-94 Funds shall refer to funds under the DLF and RWMHEEF already been remitted to the Host LGUs and the allocated EF that are still with DOE and the GenCos and are due for remittance to the Host Beneficiaries upon submission of the Letter of Intent as provided in Section 6.2 of the abovementioned DC.

The Host LGUs are reminded to prioritize the utilization of their allocated DLF and RWMHEEF in response to Covid-19 Public Health Emergency. Any actions taken on previously identified eligible projects to be funded with DLF and RWMHEEF but without existing or binding contract with the contractor/supplier are hereby suspended

to allow the maximum utilization of all ER 1-94 Funds aligned with the purpose and objective of DC2020-04-0008.

For immediate compliance and guidance of all concerned.

ALFONSO G. CUSI Secretary

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DEPARTMENT OF ENERGY
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