



Republic of the Philippines
Province of Sorsogon
CITY OF SORSOGON



Office of the Sangguniang Panlungsod

EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION OF THE SEVENTH CITY COUNCIL HELD AT THE SANGGUNIANG PANLUNGSOD SESSION HALL, CABID AN, EAST DISTRICT, SORSOGON CITY ON APRIL 5, 2022.

PRESENT:

HON. JOVEN FRANCIS J. LAURA
City Councilor /Temporary Presiding Officer

BACON DISTRICT

Hon. Hilario D. Dioneda
Hon. Danilo A. Deladia

EAST DISTRICT

Hon. Mary Ellen D. Jamisola
Hon. Franco Eric O. Ravanilla

WEST DISTRICT

Hon. Nestor J. Baldon
Hon. Erwin J. Duana
Hon. Fernando David H. Duran, III
Hon. Rebecca D. Aquino

EX-OFFICIO MEMBERS

ABSENT:

Hon. Mark Eric C. Dioneda – on official business
Hon. Jo Abegail C. Dioneda – on official business
Hon. Ralph Walter R. Lubiano – on official business
Hon. MA. Teresa D. Perdigon- on official business
Hon. Lorenz S. Abenion – sick leave
Hon. Melchor P. Atutubo – sick leave

Resolution No. 145, Series of 2022

(Author: Hon. Franco Eric O. Ravanilla)

RESOLUTION AUTHORIZING THE HON. MA. ESTER E. HAMOR, CITY MAYOR, SORSOGON CITY, TO ENTER INTO A MEMORANDUM OF AGREEMENT (MOA) WITH GENCO/ERD REPRESENTED BY ENGR. ANTONETTE DITAN, VICE PRESIDENT FOR OPERATIONS, SUWECO – SORECO II INC., RELATIVE TO THE TRANSFER OF FINANCIAL BENEFITS IN CONNECTION WITH THE OPERATION OF CAWAYAN MINI-HYDRO ELECTRIC PLANT UNDER ENERGY REGULATIONS (ER) NO. 1-94 IMPLEMENTING SECTION 5(i) OF REPUBLIC ACT NO. 7638, OTHERWISE KNOWN AS THE “DEPARTMENT OF ENERGY ACT OF 1992”.

WHEREAS, among the items deliberated during the April 05, 2022 Regular Session of the 7th City Council is a letter-request from Hon. Ma. Ester E. Hamor, City Mayor, Sorsogon City, addressed to Hon. Mark Eric C. Dioneda, City Vice Mayor and Honorable Members of the Sangguniang Panlungsod thru Mr. Rovon E. Domasian, SP Secretary dated April 01, 2022, respectfully requesting for the passage of a resolution authorizing the Local Chief Executive to enter into a Memorandum of Agreement (MOA) with GenCo/ERD represented by Engr. Antonette Ditan, Vice President for Operations, SUWECO – SORECO II Inc., relative to the transfer of financial benefits in connection with the operation of Cawayan Mini-Hydro Electric Plant under Energy Regulations (ER) No. 1-94 implementing Section 5(i) of Republic Act No. 7638, otherwise known as the “Department of Energy Act of 1992”;

WHEREAS, the 7th City Council has already passed a resolution authorizing the City Mayor to open a Trust Fund Account with the Land Bank of the Philippines (LBP) and Resolution authorizing the same to enter into a contract relative to the utilization of funds in relation with the operation of Cawayan Mini-Hydro Electric Plant in line with the request of the Department of Energy (DOE) for the submission of bank certificates to facilitate fund transfer in accordance with DC2018-08-0021 and DO2019-01-0001;

WHEREAS, Section 5 (i) of Republic Act No. 7638 (R.A. No. 7638), otherwise known as the “Department of Energy Act of 1992” mandates the Department of Energy (DOE) to devise ways and means of giving direct benefits to the province, city or municipality, specially the community and people affected and equitable and preferential to the region that Hosts the energy resource and/or the energy-generating facility;

WHEREAS, Section 66 of R.A. No. 9136, otherwise known as the “Electric Power Industry Reform Act of 2001’ and Rule 29(A) of its Implementing Rules and Regulations (EPIRA-IRR) require all energy generation companies (GenCos) and/or energy resource developers (ERDs) to provide financial benefits equivalent to one centavo per kilowatt-hour (P0.01/kWh) of the total electricity sales of the generation facility to the region, province, city or municipality and barangay that host the generation facility and energy resource facility, as well as the establishment of corresponding trust accounts and the administration thereof by the DOE;

WHEREAS, in accordance with Republic Act no. 8371 (RA 8371) also known as “The Indigenous Peoples’ Rights Act of 1997”, the DOE promulgated Department Circular No. DC2018-03-0005 on March 2018 recognizing the rights of the Indigenous Cultural Communities (ICCs) and Indigenous Peoples (IPs) to their ancestral domain and the natural resources therein and provides for reasonable share in the Development and Livelihood Fund (DLF) and for the Reforestation, Watershed Management, Health and/or Environmental Enhancement Fund (RWMHEEF) components of the ER 1-94 funds;

WHEREAS, on August 07, 2018, DOE issued Department Circular No. DC2018-08-0021, amending for the purpose Rule 29 (A) of the EPIRA-IRR, to accelerate socio-economic development and to have a more effective and efficient utilization of the funds and to enforce the immediate provision of benefits to Host Communities thus, in this regard, by virtue of the transition to an efficient distribution of funds, the Host Communities shall not withhold or delay issuance of the necessary permits required for the operations of the energy resource and/or energy-generating facility;

WHEREAS, attached to the letter is a copy of a draft Memorandum of Agreement (MOA) for further perusal of the 7th City Council;

NOW THEREFORE, on incidental motion of **Hon. Franco Eric O. Ravanilla**, duly seconded by **Hon. Fernando David H. Duran, III** resolve as it is hereby resolved to authorize the Hon. Ma. Ester E. Hamor, City Mayor, Sorsogon City to enter into a Memorandum of Agreement (MOA)

with GenCo/ERD represented by Engr. Antonette Ditan, Vice President for Operations, SUWECO – SORECO II Inc., relative to the transfer of financial benefits in connection with the operation of Cawayan Mini-Hydro Electric Plant under Energy Regulations (ER) No. 1-94 implementing Section 5(i) of Republic Act No. 7638, otherwise known as the “Department of Energy Act of 1992”;


RESOLVED FURTHER, that copies of this resolution be furnished to all concerned for their information and guidance.

DATE APPROVED: APRIL 5, 2022

I HEREBY CERTIFY to the correctness of the foregoing resolution.


ROVAN E. DOMASIAN
Secretary to the Sangguniang Panlungsod

Attested:


JOVEN FRANCIS J. LAURA
City Councilor/ Temporary Presiding Officer