



REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
THIRTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL,
ORMOC CITY HALL BUILDING
ON OCTOBER 01, 2015

PRESENT:

Hon. Leo Carmelo L. Locsin, Jr.	Vice Mayor & Presiding Officer
Hon. Rolando M. Villasencio,	SP Member, Majority Floor Leader
Hon. Tomas R. Serafica,	SP Member, Asst. Majority Floor Leader
Hon. Mario M. Rodriguez	SP Member, Presiding Officer "Pro-Tempore"
Hon. Ruben R. Capahi,	SP Member, Asst. Minority Floor Leader
Hon. Benjamin S. Pongos, Jr.,	SP Member
Hon. Antonio M. Codilla,	SP Member
Hon. Vincent L. Rama,	SP Member
Hon. Pedro Godiardo P. Ebcas,	SP Member
Hon. Eusebio Gerardo S. Penserga,	SP Member
Hon. John Eulalio Nepomuceno O. Aparis II,	SP Member
Hon. Mariano Y. Corro,	Ex-Officio SP Member
	Chapter President, Liga ng mga Barangay ng Ormoc

RESOLUTION NO. 2015-196

A RESOLUTION ADOPTING AND/OR CONCURRING WITH
THE RECOMMENDATION OF THE CITY ELECTRIFICATION
SUBSIDY COUNCIL AS CONTAINED IN ITS
MEMORANDUM REPORT ADDRESSED TO THE
HONORABLE CITY MAYOR REGARDING THE
UTILIZATION AND DISTRIBUTION OF ELECTRIC
SUBSIDY

WHEREAS, this Sanggunian received an indorsement from the Office of the City Mayor dated October 1, 2015 requesting for the August Body to concur with and/or adopt the findings and recommendations of the City Electric Subsidy Council;

WHEREAS, it will be recalled that the City Electrification Subsidy Council of Ormoc City was created pursuant to Executive Order No. 08, Series of 2014, and tasked to come up with recommendations on the distribution of funds covering four (4) years, namely: 2009, 2012, 2013 and 2014 the available amount of which is P42,871,920.26;

WHEREAS, the aforementioned City Electrification Subsidy Council submitted its Memorandum Report dated August 28, 2015 to the Honorable City Mayor, a copy of said Report is hereto attached and made an integral part hereof;

WHEREAS, there is an urgent need to pass and approve this resolution adopting and/or concurring with the recommendations of the City Electrification Subsidy Council to facilitate and expedite the distribution of electric subsidy to all qualified consumers in Ormoc City;

Res. No. 2015-196

WHEREFORE, FOREGOING PREMISES CONSIDERED, on motion presented by the Honorable SP Member Ruben R. Capahi, Chairman, Committee on Energy Conservation, severally seconded by Honorable SP Members Rolando M. Villasencio, Tomas R. Serafica, Benjamin S. Pongos, Jr., Antonio M. Codilla, Vincent L. Rama, Pedro Godiardo P. Ebcas, Eusebio Gerardo S. Pensergera, John Eulalio Nepomuceno O. Aparis II and Mariano Y. Corro; be it

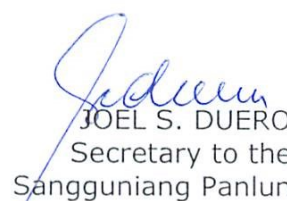
RESOLVED, AS IT IS HEREBY RESOLVED to pass a RESOLUTION ADOPTING AND/OR CONCURRING WITH THE RECOMMENDATION OF THE CITY ELECTRIFICATION SUBSIDY COUNCIL AS CONTAINED IN ITS MEMORANDUM REPORT ADDRESSED TO THE HONORABLE CITY MAYOR REGARDING THE UTILIZATION AND DISTRIBUTION OF ELECTRIC SUBSIDY;

ADOPTED, October 01, 2015.

RESOLVED, FINALLY, to furnish copies of this resolution each to the Honorable City Mayor Edward C. Codilla; the City Administrator; the City Legal Officer; the City Accountant, the City Treasurer, the City Auditor, Dir. Mario C. Marasigan, Director IV, Dept. of Energy- Renewable Energy Management Bureau (DOE-REMB), the City Director- DILG, Ms. Lucia C. Ong, and other offices concerned;

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


JOEL S. DUERO
Secretary to the
Sangguniang Panlungsod

ATTESTED:



LEO CARMELO L. LOCSIN, JR.
Vice Mayor & Presiding Officer

Republic of the Philippines
Office of the City Mayor
City Electrification Subsidy Council

MEMORANDUM REPORT

To : **HON. EDWARD C. CODILLA**
City Mayor

Fr : **THE CHAIRMAN AND MEMBERS**
City Electrification Subsidy Council

Re : **RECOMMENDATION ON THE UTILIZATION AND
DISTRIBUTION OF THE ELECTRIC SUBSIDY**

Date : **28 AUGUST 2015**

This Memorandum-Report is submitted in compliance with your Executive Order (EO) No. 08, Series of 2014 dated 7 April 2014, reorganizing the City Electrification Subsidy Council (hereinafter referred to as the "Council").

As expressed in your aforementioned EO No. 08, the Council was created with the following powers and functions, to wit:

- a. Evaluate and formulate plans for an effective and sustainable subsidy program for bonifide beneficiaries/consumers
- b. Determine the class beneficiaries/consumers who will benefit from the electrification subsidy program granted by the City Government in accordance with the

provisions of the Local Government Code and R.A. No. 9513 otherwise known as the Renewable Energy Act of 2008;

- c. To monitor the implementation of the electrification subsidy program and ensure that its desired results and benefits are attained;
- d. To conduct periodic review of the program and recommend changes, if necessary, in order to improve the same and maximize the benefits that could be enjoyed by its beneficiaries/consumers; and,
- e. To submit reports and/or recommendations to the Office of the Mayor, where needed.

As also stated in EO No. 08, the Council is to be composed of the following members, to wit:

Chairman : Hon. Ruben R. Capahi, City Councilor
Co-Chairman: Hon. Mariano Y. Corro, LIGA President/Ex-Officio City Councilor

Members :

1. Pedro Godiardo P. Ebcas, City Councilor
2. Hon. Benjamin S. Pongos, City Councilor
3. Atty. Francis A. Pepito, City Administrator
4. Mr. Angelo I. Roman/Mrs. Delia Vilbar, City Treas.
5. Atty. Ivan Verallo, City Legal Officer.
6. Engr. Raoul E. Cam, CPDO
7. Engr. Juanito Jorda, Manager, LEYECO V
8. Private Sector Representative – OCCCI President
9. Private Sector Representative – OCCCC President

After preliminary conferences between the undersigned Chair of the Council and staff of Your Honor on the data/information/mechanisms needed relative to the subsidy, the Council formally convened for its initial meeting on 29 October 2014.

At the initial meeting of the Council, it was the consensus that it would be best that the Chair of the Committee on Finance and Appropriation of the Sangguniang Panlungsod (SP) be included as a member. It was agreed that the inclusion of the Committee Chair is advantageous considering that there will be a need for funds to be eventually appropriated by the SP for the purpose of distributing the subsidy. It was thus agreed that the inclusion of this additional member would be recommended to the City Mayor.

The Honorable City Mayor agreed with the above recommendation. Accordingly, Your Honor issued EO No. 35, Series of 2014 dated 17 November 2014 designating the Hon. Mario M. Rodriguez, Chair of the Committee on Finance and Appropriation of the 13th Sangguniang Panlungsod (SP) as an additional Council member. With the inclusion of the Hon. Rodriguez, the membership of the Council was increased to twelve (12) all in all.

In addition to its initial meeting on 29 October 2014, the Council convened a total of eight (8) more times. These meetings were held on the following dates: (i) 17 November 2014; (ii) 9 February 2015; (iii) 23 February 2015; (iv) 2 March 2015; (v) 16 March 2015; (vi) 29 April 2015; (vii) 5 May 2015; and (viii) 18 August 2015. Incidentally, the Council did not have meetings in June-July 2015 to give way to the posting of the list of qualified beneficiaries with the barangay halls all over Ormoc City. This posting was intended to allow those with questions about the inclusion/exclusion of certain consumers to raise their objections with the proper office.

After the deliberations of the Council, the following points were confirmed and/or agreed upon:

First, the subsidy is applicable to or covers a total of four (4) years. These are for the years 2009, 2012, 2013 and 2014.

Second, the amount available for distribution as direct subsidy is in the aggregate of Pesos: Forty Two Million Eight Hundred Seventy One Thousand Nine Hundred Twenty Pesos and Twenty Seven Centavos (P42,871,920.27). This amount is as certified by Ms. Delia C. Vilbar, Assistant City Treasurer and In-Charge of Office for the City Treasurer's Office (ICO-CTO). Per Ms. Vilbar, this amount is broken down as follows:

TOTAL FUNDS FOR SHARE FROM NATIONAL WEALTH					
Calendar Year	2009	2012	2013	2014	TOTAL
80% Share Including Interest	15,833,885.29	10,467,390.45	8,193,977.97	8,376,666.56	42,871,920.27
20% Share Including Interest	3,958,471.32	2,616,847.61	2,048,494.49	2,094,166.64	10,717,980.06
TOTAL	19,792,256.62	13,084,238.07	10,242,472.46	10,470,833.20	53,589,900.35

Ms. Vilbar's certified summary of funds available is appended to this Memorandum as **Annex "A"**.

Third, the electric consumers qualified to receive the subsidy are those whose monthly consumption is One Hundred Kilowatt Hours (100 kWh). This is as provided in Republic Act No. 9513, otherwise known as the Renewable Energy Law (RE Law). Section 21.B of the Implementing Rules and Regulations of the RE Law clearly specifies that "... *eighty percent (80%) of the share of the royalty and/or government share of the RE host community/LGU from RE projects and activities shall be used directly to subsidize the electric consumption of end-users in the RE host communities/LGUs whose monthly consumption do not exceed one hundred kilowatt hours (100 kWh).*"

Fourth, the total number of qualified consumers as determined by LEYECO V is Thirty Two Thousand Six Hundred Fifty Two (32,652). However, as there are some consumers who maintain more than one (1) account, the total number of qualified accounts is higher; it stands at Thirty Four Thousand Seven Hundred Twenty Six (34,726).

Fifth, the electric subsidy will be paid on a per-qualified-account basis, i.e., to all 34,726 accounts. Therefore, there may be consumers

who will receive more than one amount or subsidy, if his or her accounts all meet the criterion of consuming 100 kWh or below.

Sixth, the amount of the subsidy to be given to each qualified account shall be based on his monthly consumption.

Seventh, the amount of the subsidy to be distributed shall be computed as follows:

Initially we compute the amount of subsidy per kWh for a particular year.

Let, x = the amount of subsidy per kWh of a particular year.

y = the total fund (share) for a particular year.

(80% share including interest, see table on page 4)

z = the total number of kWh consumed by all qualified accounts of a particular year.

x is derived as the quotient of y over z , thus;

$$x = \frac{y}{z}$$

for a particular year, say 2009

$$x_{(2009)} = \frac{y_{(2009)}}{z_{(2009)}}$$

We then compute the amount of subsidy per month for each of the qualified accounts for a particular year.

Let, a = the amount of subsidy per month of a particular account for a particular year.

b = the number of kwh consumed by a qualified account for a particular month of a particular year.

x = the amount of subsidy per kwh of a particular year.

a is derived as the product of b and x, thus;

$$a = b(x)$$

for a particular year, say 2009

$$a_{(2009)} = b_{(2009)} x_{(2009)}$$

To get the total amount of subsidy of a qualified account for a particular year is to multiply a by the number of months that qualified account did not exceed 100kwh consumption.

Eighth, the list of qualified beneficiaries and the amount to be received by each has been jointly identified and computed by responsible officers of LEYECO V led by Engr. Maximo Torgende and the IT Section/Division of the Ormoc City Government led by Mr. Melchizedec Yap. This list shall be distributed to the Barangay Captains for posting in each of the barangay halls around the city.

Ninth, the IOC-CTO, Ms. Vilbar, will be charged with the proper distribution of the subsidy.

The above enumerated points that were agreed upon by the Council shall constitute its recommendation to the Honorable City Mayor in the utilization and distribution of the electric subsidy for the years 2009, 2012, 2013 and 2014.

The Council hopes that the foregoing merits the City Mayor's approval.

Respectfully submitted:

Hon. Ruben R. Capahi
Chairman

Hon. Mariano Y. Corro
Co-Chairman

Members :

Hon. Mario M. Rodriguez
City Councilor

Hon. Pedro Godiardo P. Ebcas
City Councilor

Hon. Benjamin S. Pongos
City Councilor

Atty. Francis A. Pepito
City Administrator

Mrs. Delia Vilbar
OIC-CTO

Atty. Ivan Verallo
City Legal Officer

Engr. Raoul E. Cam
CPDO

Engr. Juanito Jorda
Manager, LEYECO V

Mr. Rey F. Evangelista
Private Sector Representative

Mr. Roger Uy
Private Sector Representative

APPROVED

HON. MARIANO Y. CORRO
ACTING CITY M
DATE
HON. EDWARD C.
CITY MAYOR