

B. DEPARTMENT OF ENERGY

B.1. NATIONAL ELECTRIFICATION ADMINISTRATION

For subsidy requirements in accordance with the program(s) and project(s), as indicated hereunder P 2,100,850,000

New Appropriations, by Program

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
Operations	P	<u>2,100,850,000</u>		P <u>2,100,850,000</u>
NATIONAL RURAL ELECTRIFICATION PROGRAM		<u>2,100,850,000</u>		<u>2,100,850,000</u>
TOTAL NEW APPROPRIATIONS	P	<u>2,100,850,000</u>		P <u>2,100,850,000</u>

Special Provision(s)

1. **Subsidy to the National Electrification Administration.** The amount of Two Billion One Hundred Million Eight Hundred Fifty Thousand Pesos (P2,100,850,000) appropriated herein under the subsidy to NEA shall be used for the implementation of the National Rural Electrification Program.

The NEA is authorized to deduct engineering and administrative overhead (EAO) expenses not exceeding three percent (3%) of the project cost. The authorized EAO expenses shall be limited to: (i) pre-construction activities after detailed engineering; (ii) construction project management; (iii) testing and quality control; (iv) acquisition, rehabilitation and repair of related equipment and parts; and (v) contingencies in relation to pre-construction activities. The EAO expenses shall be treated or booked-up as capitalized expenditures and form part of the project cost.

In the implementation of the Sitio Electrification Projects, the NEA shall observe the following:

- (a) Prioritize sitios where the absolute number of indigents and the incidence of poverty are high as identified in the latest official poverty statistics of the PSA as well as those with the high probability of being energized;
- (b) Loans outlay to electric cooperatives shall be recorded as equity contribution of the National Government to NEA when its authorized capitalization is increased by law, while grants thereto remain to be treated as subsidy;
- (c) Release funds only to electric cooperatives which have fully liquidated funds from previous years' electrification projects: Provided, however, that in cases where the electric cooperatives are not qualified to implement projects for barangay and sitio electrification, the NEA may enter into a Memorandum of Agreement with DPWH, and the latter through its district engineering offices will implement the project; and
- (d) Prohibition on the use of subsidy for the payment of salaries, allowances, incentives, separation or retirement benefits.

Release of funds for Sitio Electrification Projects shall be subject to the following: a) submission of National Unified Electrification Strategy as certified by the DOE; b) submission of parameters for the selection of beneficiary sitios as certified by the DOE; and c) submission of a certification from the Barangay Chairperson on the population and number of houses per sitio, map of the municipality or city indicating the sitios and barangays to be energized, and cost of energizing a sitio.

2. **Electric Cooperatives Emergency and Resiliency Fund.** The amount of Two Hundred Twenty Four Million Three Hundred Fifty Thousand Pesos (P224,350,000) appropriated herein shall be used exclusively for the Electric Cooperatives Emergency and Resiliency Fund pursuant to R.A. No. 11039.

3. **Prior Years' Subsidy Releases from the National Government.** The NEA is hereby authorized to use subsidy released for programs and projects in 2016-2021 to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NEA shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NEA's Board of Administrators, to be submitted to the DBM for approval.

4. **Special Provisions Applicable to All Government Corporations.** In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NEA.

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
Operations				
Access to electrification expanded	P	2,100,850,000	P	2,100,850,000
NATIONAL RURAL ELECTRIFICATION PROGRAM		<u>2,100,850,000</u>		<u>2,100,850,000</u>
Sitio Electrification Sub-program		<u>2,100,850,000</u>		<u>2,100,850,000</u>
Project(s)		<u>2,100,850,000</u>		<u>2,100,850,000</u>
Locally-Funded Project(s)		<u>2,100,850,000</u>		<u>2,100,850,000</u>
Sitio Electrification Project		1,627,500,000		1,627,500,000
Electric Cooperatives Emergency and Resiliency Fund		224,350,000		224,350,000
Solar Electrification of Schools and Other Government Buildings		70,000,000		70,000,000
Line Enhancement and Improvement of Distribution Lines of Luuk, Sulu - Sulu Electric Cooperative (SULECO)		29,000,000		29,000,000
Line Enhancement and Improvement of Distribution Lines of Abucayan to Pinaglabanan to Lamon to Tamban, Goa to Sipaco to Map-id to Guibahoy, Lagonoy-Camarines Sur IV Electric Cooperative, Inc. (CASURECO IV)		50,000,000		50,000,000
Line Enhancement and Improvement of Distribution lines of Sta. Misericordia, Sto. Domingo, Albay up to Salvacion Substation - Albay Electric Cooperative, Inc. (ALECO)		50,000,000		50,000,000
Line Enhancement and Improvement of Distribution Lines of Barangay 1 to Denrica, Garchitorena, Camarines Sur and Barangay 4 to Harrison to Canlong, Camarines Sur - Camarines Sur IV Electric Cooperative, Inc. (CASURECO IV)		<u>50,000,000</u>		<u>50,000,000</u>
Sub-total, Operations		<u>2,100,850,000</u>		<u>2,100,850,000</u>
TOTAL NEW APPROPRIATIONS	P	<u><u>2,100,850,000</u></u>	P	<u><u>2,100,850,000</u></u>

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy

2,100,850

Total Maintenance and Other Operating Expenses

2,100,850

Total Current Operating Expenditures	<u>2,100,850</u>
TOTAL NEW APPROPRIATIONS	<u>2,100,850</u>

B.2. NATIONAL POWER CORPORATION

For subsidy requirements in accordance with the program(s), as indicated hereunder P 846,309,000

New Appropriations, by Program

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
Operations	P <u>846,309,000</u>			P <u>846,309,000</u>
MISSIONARY ELECTRIFICATION PROGRAM		<u>846,309,000</u>		<u>846,309,000</u>
TOTAL NEW APPROPRIATIONS	P <u>846,309,000</u>			P <u>846,309,000</u>

Special Provision(s)

1. **Subsidy to the National Power Corporation.** The amount of Eight Hundred Forty Six Million Three Hundred Nine Thousand Pesos (P846,309,000) appropriated herein under the subsidy to NPC shall be used for the capital requirements of the Missionary Electrification Program.

Release of funds shall be subject to the submission of: (i) program of work for each Small Power Utilities Group plant covered indicating the project description and implementation schedule; and (ii) originating letter request from electric cooperatives which shall contain the description of work.

2. **Missionary Electrification.** The NPC, in the implementation of its missionary electrification function and in the utilization of the National Government subsidy, shall prioritize new areas and the use of hybrid generation systems with renewable energy over diesel generator sets.

3. **Prior Years' Subsidy Releases from the National Government.** The NPC is hereby authorized to use subsidy released for programs and projects in 2016-2021 to cover the additional funding requirements of activities or projects covered by the programs or sub-programs indicated herein. Accordingly, the NPC shall prepare a work and financial plan covering the projects or activities to be funded from prior years' subsidies subject to the endorsement of the NPC's Board of Directors, to be submitted to the DBM for approval.

4. **Special Provisions Applicable to All Government Corporations.** In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the NPC.

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
Operations				
Access to electrification expanded	P <u>846,309,000</u>			P <u>846,309,000</u>
MISSIONARY ELECTRIFICATION PROGRAM		<u>846,309,000</u>		<u>846,309,000</u>
Commissioning of additional generating capacity		<u>846,309,000</u>		<u>846,309,000</u>

GENERAL APPROPRIATIONS ACT, FY 2022

Sub-total, Operations	<u>846,309,000</u>	<u>846,309,000</u>
TOTAL NEW APPROPRIATIONS	P <u>846,309,000</u>	P <u>846,309,000</u>
 <u>New Appropriations, by Object of Expenditures</u> (In Thousand Pesos)		
Current Operating Expenditures		
Maintenance and Other Operating Expenses		
Financial Assistance/Subsidy		<u>846,309</u>
Total Maintenance and Other Operating Expenses		<u>846,309</u>
Total Current Operating Expenditures		<u>846,309</u>
TOTAL NEW APPROPRIATIONS		<u>846,309</u>