

**REPUBLIC OF THE PHILIPPINES
BATANGAS CITY**

OFFICE OF THE SANGGUNIANG PANLUNGSOD

**EXCERPT FROM THE MINUTES OF THE REGULAR SESSION HELD BY THE
MEMBERS OF THE SANGGUNIANG PANLUNGSOD OF BATANGAS CITY
ON JUNE 13, 2023 AT THE SAMPAGUITA FARM,
SAMPAGA, BATANGAS CITY**

PRESENT:

Hon. Hamilton G. Blanco,	Acting Presiding Officer
Hon. Karlos Emmanjuel A. Buted,	Councilor
Hon. Andrea Loise F. Macaraig,	”
Hon. Nestor E. Dimacuha,	”
Hon. Oliver Z. Macatangay,	”
Hon. Armando C. Lazarte,	”
Hon. Nelson J. Chavez,	”
Hon. Jose Jonash Luis F. Tolentino,	”
Hon. Zester Carlo M. Hernandez,	”
Hon. Isidra “Ched” M. Atienza,	”
Hon. Lorenzo A. Gamboa, Jr.,	”
Hon. Michael C. Villena,	”
Hon. Angelito Dondon A. Dimacuha,	(ABC-Rep.)
Hon. Marjorie A. Manalo,	(SK-Rep.)
Hon. Alyssa Renee A. Cruz (On Leave)	Presiding Officer

“On motion of Councilor Buted seconded by Councilor Nestor Dimacuha, the following Resolution was Adopted:

RESOLUTION NO. 22-254 S. 2023

A RESOLUTION AUTHORIZING THE CITY MAYOR BEVERLEY ROSE A. DIMACUHA TO SIGN A MEMORANDUM OF AGREEMENT (MOA) WITH SOUTH PREMIERE POWER CORP. (SPPC) FOR THE ESTABLISHMENT AND ADMINISTRATION OF THE DEVELOPMENT LIVELIHOOD FUND (DLF) AND REFORESTATION, WATERSHED MANAGEMENT, HEALTH AND/OR ENVIRONMENT ENHANCEMENT FUND (RWMHEEF) TRUST ACCOUNTS IN ACCORDANCE WITH DC2018-08-0021

WHEREAS, Section 5 (i) of Republic Act No. 7638 (RA 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, especially the community and people affected and equitable and preferential benefits to the region that hosts the energy resource and/or the energy-generating facility;

WHEREAS, pursuant to Section 6 of DC2018-08-0021, the financial benefit shall be allocated in the following manner:

6.2. *Twenty-five percent (25%) of one-centavo per kilowatt-hour (Php 0.0025/kWh) for Development and Livelihood Fund (DLF); and Twenty-five percent (25%) of one-centavo per kilowatt-hour (Php 0.0025 kWh) for Reforestation, Watershed Management, Health and/or Environment Enhancement Fund (RWMHEEF);*

Continuation of Resolution No. 22-254 S. 2023

A RESOLUTION AUTHORIZING THE CITY MAYOR BEVERLEY ROSE A. DIMACUHA TO SIGN A MEMORANDUM OF AGREEMENT (MOA) WITH SOUTH PREMIERE POWER CORP. (SPPC) FOR THE ESTABLISHMENT AND ADMINISTRATION OF THE DEVELOPMENT LIVELIHOOD FUND (DLF) AND REFORESTATION, WATERSHED MANAGEMENT, HEALTH AND/OR ENVIRONMENT ENHANCEMENT FUND (RWMHEEF) TRUST ACCOUNTS IN ACCORDANCE WITH DC2018-08-0021

The DLF and RWMHEEF shall be allocated in the following manner:

6.2.1. Community and People Affected	5%
6.2.2. Host Barangay/s	20%
6.2.3. Host Municipality/ies or City/ies	35%
6.2.4. Host Province/s	30%
6.2.5. Host ICCs/IPs	5%
6.2.6. Host Region	5%

In the absence of Community and People Affected, funds allocated for the same shall form part of the fund for the Host Barangay.

In the absence of ICCs/IPs, the funds allocated for the same shall form part of the fund for the Host Region.

WHEREAS, on May 17, 2023, a letter from the City Mayor Beverley Rose A. Dimacuha regarding the matter from South Premiere Power Corp. (SPPC), the new owner of former Kepco Ilijan Power Plant Facility, will commence again the commercial operation of the SPPC LNG Plant Facility in Barangay Ilijan and the accrued financial for the commercial operations of SPPC LNG Plant Facility;

WHEREAS, this agreement shall cover the establishment and administration of separate trust accounts for DLF and RWMHEEF that shall accrue based on the Net Electricity Sales as Financial Benefit to the Host LGUs, Regions and ICCs/IPs (the “DLF and RWMHEEF Trust Accounts”);

WHEREAS, for transparency purposes, the Host Beneficiary (Batangas City Government) requests for the presence of a representative during the quarterly reading of the revenue meter;

NOW THEREFORE, be it resolved as it is hereby resolved by the Sangguniang Panlungsod in session assembled to authorize the City Mayor Beverley Rose A. Dimacuha to sign a Memorandum of Agreement (MOA) with South Premiere Power Corp. (SPPC) for the establishment and administration of the Development Livelihood Fund (DLF) and Reforestation, Watershed Management, Health and/or Environment Enhancement Fund (RWMHEEF) Trust Accounts in accordance with DC2018-08-0021.

UNANIMOUSLY APPROVED.”

Continuation of Resolution No. 22-254 S. 2023

A RESOLUTION AUTHORIZING THE CITY MAYOR BEVERLEY ROSE A. DIMACUHA TO SIGN A MEMORANDUM OF AGREEMENT (MOA) WITH SOUTH PREMIERE POWER CORP. (SPPC) FOR THE ESTABLISHMENT AND ADMINISTRATION OF THE DEVELOPMENT LIVELIHOOD FUND (DLF) AND REFORESTATION, WATERSHED MANAGEMENT, HEALTH AND/OR ENVIRONMENT ENHANCEMENT FUND (RWMHEEF) TRUST ACCOUNTS IN ACCORDANCE WITH DC2018-08-0021

AUTHOR : COUN. KARLOS EMMANJUEL A. BUTED
CHAIRMAN, COMMITTEE ON APPROPRIATIONS

I hereby certify that the foregoing Resolution No. 22-254 S. 2023 was approved by the Sangguniang Panlungsod of Batangas City during its Regular Session held on June 13, 2023.


ROSEMARIE D. HERNANDEZ
Board Secretary IV

NOTED: 
ATTY. OLIVA D. TELEGATOS
Secretary

ATTESTED: 
HAMILTON G. BLANCO
Acting Presiding Officer



Republic of the Philippines
Province of Batangas
BATANGAS CITY

SANGGUNIANG PANLUNGSOD

Tel. No. 722-0304

**THE COMMITTEE ON APPROPRIATIONS
COMMITTEE REPORT**

SOUTH PREMIERE POWER CORP. (SPPC) MEMORANDUM OF AGREEMENT

BACKGROUND:

The subject is the letter from the City Mayor Beverley Rose A. Dimacuha, for a resolution authorizing the City Mayor to sign a Memorandum of Agreement with the South Premiere Power Corp. (SPPC) for the establishment and administration of Development and Livelihood Fund (DLF) and Reforestation, Watershed Management, Health and Environment Enhancement Fund (RWMHEEF) trust accounts. This was referred to the Committee on Appropriations for its consideration during the Regular Session last May 30, 2023. The Committee held a hearing on June 6, 2023 and in attendance were the following:

Sangguniang Panlungsod Members:

Hon. Karlos Emmanjuel A. Buted	Chairman, Committee on Appropriations
Hon. Nestor E. Dimacuha	Member, Committee on Appropriations
Hon. Nelson J. Chavez	"
Hon. Lorenzo A. Gamboa, Jr.	"
Hon. Alyssa Renee A. Cruz	City Vice Mayor
Hon. Hamilton G. Blanco	SP Member
Hon. Andrea F. Macaraig	"
Hon. Oliver Z. Macatangay	"
Hon. Armando C. Lazarte	"
Hon. Jose Jonash Luis F. Tolentino	"
Hon. Zester Carlo M. Hernandez	"
Hon. Marjorie A. Manalo	SK Federation President

Proponents:

Ms. Lhean Simara	Bus. Affairs & Community Relations San Miguel Global Power
Ms. Kanah Katriz Pasahol	Human Resources San Miguel Global Power
Ms. Myla Pagayon	Supervising Admin Officer City Legal Office
Ms. Gilda Godoy, EnP	City Planning and Development Coordinator City Planning and Development Office
Ms. Arminda Madayag	City Treasurer OIC City Treasurer's Office

FINDINGS:

The Sangguniang Panlungsod and the Committee on Appropriations briefly made an overview of the subject and hereby finds the following:

1. South Premiere Power Corp. (SPPC) is a subsidiary company under San Miguel Global Power;
2. Department of Energy promulgates, as per the provisions of Energy Regulations No. 1-94 (ER 1-94), that all energy-generating companies are mandated to provide financial benefits to the host LGUs through the establishment of trust accounts namely for Development and Livelihood Fund (DLF) and Reforestation, Watershed Management, Health, and Environment Enhancement Fund (RWMHEEF);

3. This section of the Memorandum of Agreement shall be omitted from the paragraph:

Section 2.1 (b)

All costs related to the opening of such trust accounts shall be considered as administrative expenses and shall be deducted from the DLF and RWMHEEF Trust Accounts.

4. Ms. Lhean Simara from San Miguel Global Power asserted that the provision inscribed in Section 2.1 (b) was actually discussed with the Higher Management waiving the deduction on the share intended for the Host Beneficiary (Batangas City); therefore, the aforementioned section is unnecessary and deem omitted in the Memorandum of Agreement.
5. The Committee requested that aside from the representatives from South Premiere Power Corp. (SPPC) and the Department of Energy, there must also be a representative from the Host Beneficiary (Batangas City Government) during the quarterly reading of the revenue meter.

RECOMMENDATIONS:

Considering that the committee finds no legal impediments, the same hereby recommends:

1. The adoption of this Committee Report; and
2. The approval of the Resolution hereto attached.

Respectfully submitted, June 13, 2023.

THE COMMITTEE ON APPROPRIATIONS


HON. KARLOS EMMANJUEL A. BUTED
Chairman


HON. NESTOR E. DIMACUHA
Member


HON. LORENZO A. GAMBOA, JR.
Member


HON. NELSON J. CHAVEZ
Member


HON. ISIDRA M. ATIENZA
Member