



Republic of the Philippines  
Province of Isabela  
**MUNICIPALITY OF PALANAN**

**OFFICE OF THE SANGGUNIANG BAYAN**

Literal copy of **Resolution No. 2020 – 079** approved by the Sangguniang Bayan of Palanan, Isabela in its **Regular Session** on **August 24, 2020** held at the Legislative Session Hall, this Municipality.

**RESOLUTION NO. 2020-079**

**RESOLUTION EXPRESSING OUR OPPOSITION TO DEPARTMENT OF ENERGY (DOE) DEPARTMENT CIRCULAR DC NO. 2019-01-0001 ENTITLED “ PRESCRIBING OMNIBUS GUIDELINES ON ENHANCING OFF-GRID POWER DEVELOPMENT AND OPERATION”**

**WHEREAS**, on January 25, 2019, Secretary Alfonso G. Cusi of the Department of Energy (DOE) has issued Department Circular DC No. 2019-01-0001 entitled (Prescribing the Omnibus Guidelines in on Enhancing Off-Grid Power Development and Operation”;

**WHEREAS**, once the said department circular will be implemented, it will bring tremendous negative effect to the operations of island electric cooperatives in the country particularly on the provisions of Rule 10 on the “Rationalization of tariffs and phase-out of Universal Charge for Missionary Electrification (UCME) subsidy in Missionary areas” as these provisions are oppressive, discriminatory and against the principles of social equity which the government is supposed to provide to all its citizens, in this particular case, to all electric consumers, both in the main grid and in off-grid areas;

**WHEREAS**, the present UCME amounting to *Php0.1544/kwh*, if will be removed will increase the generation charge in Barangays Culasi, Dialaw Yao, Dimalico-Ilico, Dicabisagan West, Dicabisan East and Dimasari all of Palanan, Isabela from the current ERC approved Subsidized Approved Generation Rate (SAGR) *Php 4.8024 to P10.1429/ kwh* to as high as more than *P37.0160/kwh*, which is the True Cost Generation Rate (TCGR) of the NPC-SPUG in the Municipality of Palanan as projected by NPC-SPUG based on their 2019 application for availment of subsidy from UCME;

**WHEREAS**, increasing the generation charge in Palanan, Isabela from its current rate will add burden to the already poor economic conditions of our constituents which already deprived of the socio-economic benefits being enjoyed by other Filipinos residing in the main islands of the country;

**WHEREAS**, the said increase in generation cost is likewise damaging to the operation of the small scale marble industry that employ Palanenios, which would result for the increase on their productions cost and their product become less competitive both in local and international market which eventually slow down their operation or even closed shop due to the bankruptcy that will create massive unemployment in the locality;

**WHEREAS**, the removal of subsidy from UCME which would result to the increase in the generation cost in the SPUG Area and isolated grids is contrary to the declaration policy of RA 9136, particularly Chapter 1, Section 2 (b), “ To ensure the quality, reliability, security and affordability of the supply of electric power”;

**WHEREAS**, ISELCO II believes that this particular provision of the said circular is against the provisions of RA 9136 particularly by Sec.70.

**WHEREAS**, for the government to implement the genuine public service to the electric consumers in the missionary and off-grid areas, who do not have the opportunity to access the cheaper cost of the power in the main grid, should continue the provision of UCME Subsidy to mitigate the impact of the expensive and higher cost of power generation;

**WHEREAS**, it is further believed that based on the provisions of RA 9136, the UCME subsidy to the missionary areas can only be removed or be phased-out once the missionary or off-grid areas can be connected to the transmission system of the main grid;

**NOW THEREFORE**, on motion of *Hon. Angelina A. Bernardo, LNB President/Ex-Officio Member*, duly seconded by all of the Sangguniang Bayan Members present, Be it as it is;

**RESOLVED, AS IT IS HEREBY RESOLVED**, to express our opposition to the Department of Energy's (DOE's) Department Circular No. 2019-01-0001, "Prescribing the Omnibus Guidelines on Enhancing Off-grid Power Development and Operation," particularly on the provisions of Rule 10 for the "Rationalization of tariffs and phase-out of Universal Charge for Missionary Electrification (UCME) Subsidy in missionary areas", as these provisions are oppressive, discriminatory and against the principles of social equity which the government is supposed to provide to all its citizens, in this particular case, to all electric consumers, both in the main grid and in off-grid areas that are not connected to the transmission system.

**RESOLVED FINALLY**, to submit a copy of this resolution to the Department of Energy (DOE) thru the Office of Secretary Alfonso G. Cusi at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila for his information and appropriate action. Likewise, to furnish copies of this resolution to the Offices of The National Electrification Administration (NEA) thru the Office of Administrator Edgardo R. Masongsong at Barangay Pinyahan, Diliman, Quezon city, the Office of the Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) thru its Executive Director/General manager, Atty. Janeene-Depay Colingan at 2<sup>nd</sup> Floor, PNB Building, No. 92 West Avenue, Quezon City and appropriate agencies/institution for their information and reference.

**ADOPTED**, August 24, 2020.


I **HEREBY CERTIFY** to the correctness of the foregoing Resolution, which was duly adopted by the Sangguniang Bayan during its Regular Session.

  
**NELIA ALAMO-PLATA**  
*Secretary to the Sanggunian*

**CONFORMED:**

  
**RONNIE A. ATIENZA**  
*SB Member*

  
**PACITA MONA Q. ATANACIO**  
*SB Member*

  
**MICHAEL JOHN D. BERNARDO**  
*SB Member*

  
**ROBERT B. NERI**  
*SB Member*

  
**EARL JOHN AGNELO S. BERNARDO**  
*SB Member*

  
**CRISELDA S. DELA PENA**  
*SB Member*

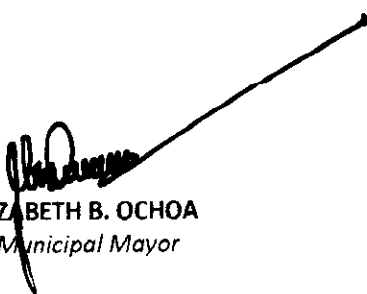
  
**ANGELINA A. BERNARDO**  
*LNB President/Ex-Officio Member*

  
**JUSTINE KERBY S. BERNARDO**  
*SK Federation President/Ex-Officio Member*

**ATTESTED AND CERTIFIED  
TO BE DULY ADOPTED:**

  
**JIMMY B. GONZALES**  
*Municipal Vice-Mayor/Presiding Officer*

**APPROVED:**

  
**ELIZABETH B. OCHOA**  
*Municipal Mayor*