

REPUBLIC OF THE PHILIPPINES OFFICE OF THE CITY MAYOR City of Naga



EXECUTIVE ORDER NO. 2014-008

CREATING THE CITY OF NAGA POWER COMMISSION (CNPC) AND FOR OTHER PURPOSES:-

WHEREAS, pursuant to its mandate under the General Welfare Clause of the Local Government Code, the City Government of Naga sees the need to address the challenges of change and uncertainty in the power industry and to improve energy systems that promote a strong economy and a healthy environment within Metro Naga by assessing, advocating, and encouraging public-private partnerships or participation;

WHEREAS, there is a need for the City to carry out overall energy sector planning and policy implementation; promote the diversification of energy resources through the development and optimal utilization of all, including the introduction and development of new and alternative energy resources like Hydro, Solar, Wind, and Biomass Energy; and invite players that can provide the technology that will generate power in order to ensure affordable power costs;

WHEREAS, the City is a stakeholder of the local electric cooperative and is duty bound to ensure its operational efficiency and financial viability, that power supply is reliable and sustainable, and that power rates are competitive and affordable to consumers, pioneering investors and business expansions in line with the City's economic development initiatives;

WHEREAS, a comprehensive Energy Plan for the City of Naga based on the development of alternative and renewable sources of energy is a prerequisite to politioning the City of Naga as the premier advocate in taking advantage of these clean, non-depletable energy sources as well as a means to attaining a competitive and affordable cost of energy in the years to come;

WHEREAS, the City Government also seeks to develop or encourage the development by the private and/or the government sector(s) of alternative and renewable sources of energy to attain competitive power cost within its territory and attract more investors in line with Republic Act 9513 (The Renewal Energy Act of 2008) and in consonance with the recommendations of the city's Renewable Energy Ways (RENEW) Task Force, created thru Executive Order No. 2014-007;

WHEREAS, it is crucial that a comprehensive and coordinated effort be initiated to ensure Metro Naga's future energy security;

NOW, THEREFORE, I, JOHN G. BONGAT, City Mayor of Naga, by virtue of the power and authority vested in me by law, do hereby order the following:

Section 1. Creation and Purpose- The City of Naga Power Commission (hereinafter CNPC), which is primarily tasked to provide the City Government a balanced plan to provide the energy needed for the city's future economic growth and prosperity, is hereby created. The plan shall identify Naga's energy supply and demand projections and, at the same time, recommend strategies on how to tap alternative and renewable sources of energy that can help close or minimize the gaps, in coordination with the RENEW Task Force.

Section 2: Composition- The Commission shall have a governing Board of Commissioners to be composed of the following:

- Chairman, SP Committee on Consumers Protection
- Department Head, City Planning and Development Office;
- Executive Director, Jesse M. Robredo Center for Good Governance;



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- Executive Director, Metro Naga Development Council;
- Manager, Camarines Sur II Electric Cooperative (CASURECO II)
- Chairperson, Naga City People's Council;
- President, Metro Naga Chamber of Commerce and Industry;
- Representative, Institute of Integrated Electrical Engineers of the Philippines;
- Representative, Consumers Group;
- Representative, Academe

The members shall elect from among themselves a Chairman and Vice-Chairman.

Section 3. Functions- The Board of Commissioners shall have the following functions:

- a. Review, inspect, monitor, and coordinate the performance of energy sector players within the City of Naga to ensure compliance and consistency with all laws governing energy. It shall serve as the center for solving any inter-related technical problems that may arise in the implementation of any policy relating to the field of energy in the City;
- b. Protect the people by bolstering their awareness with regard to laws governing energy. One of these is Section 23 of the EPIRA Law which obligates electric distribution utilities to supply electricity at the least cost to their captive market, as illustrated below:

Timely review of contract on power purchases

Transparent Power Supply Agreement

Review of Financial Operations to ensure that as distribution utility, it is true to its obligation to supply power "in the least cost manner" to its captive consumers under Sec 23* of the EPIRA Law

Act accordingly and make strong representation to the EC's supervising & regulatory agencies when interests of the end-consumers are at stake

Section 23* of the Electric Power Industry Reform Act (EPIRA) obligates electric distribution utilities to supply electricity at the least cost to their so- called captive market.

For this purpose, the Board shall be given access to the financial records and transactions of CASURECO II, including its annual budget, quarterly summary of



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disbursements, semi-annual trial balance, or such other records as the Board may deem appropriate.

- c. Advise all tiers of the energy sector on the funding of energy research, development, production and distribution. It shall also serve as the center for gathering, analyzing, and disseminating information relating to the field of energy from all sources.
- d. Sit as a non-voting member of the Board of Directors of CASURECO II.

Section 4. Technical Working Group. In pursuit of the above purposes and functions, a Technical Working Group (TWG) is hereby constituted, to be comprised of the following:

- a. Electrical Engineering Section Chief, City Engineer's Office;
- b. Chief, Building Maintenance Office
- c. Representative from Camarines Sur Electric Cooperative (CASURECO) II
- d. Private Sector Representative with technical knowledge on energy research, development, production and distribution, to be appointed by the Mayor and confirmed by the Board.

The TWG shall assist the Board in conducting technical studies and recommending strategies/courses of action to realize the formulation of the energy plan.

Section 5.Effectivity. This order shall take effect immediately.

Issued this 28thday of February 2014 at the City of Naga, Philippines.

JOHN G. BONGAT layor

Attested by:

FLORENCIO T. MONGOSO, JR., CSEE Department Head II and City Administrator