Proposed Supplemental Department Circular (DC)
Allocation of Energy Regulations No. 1-94 Funds for Highly Urbanized Cities Pursuant to DC 2018-08-0021

TEMPLATE OF COMMENTS

PROVISION	RATIONALE	COMMENTS/PROPOSED WORDINGS	
Section 1. Scope			
This Circular shall apply to all recognized Highly Urbanized Cities (HUCs) included in the latest official Census and all other cities yet to be declared pursuant to the Rules and Regulations Implementing the Local Government Code of 1991, see attached "Annex A".			
Section 2. Section 6. Allocation and application of Financial Benefits Fund is revised to read as follows:			
xxx Development and Livelihood Fund (DLF) and Reforestation, Watershed Management, Health and/or Environment Enhancement Fund (RWMHEEF)			
xxx For the Regional share, the Regional Development Council (RDC) shall identify its beneficiaries, which may be a host or non-host LGU, within the region. The allocated and approved share shall then be remitted by the generating facility and/or energy resource developer to the identified beneficiaries through its trust account/s for the host LGUs and/or general fund account for non-host LGUs.			
For the allocation of provincial share, it shall be determined based on the following conditions:			

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a. HUCs within a legislative district of the Host Province		
The financial benefits shall be allocated, consistent with Section 6.2 of DC2018-08-0021.		
b. HUCs not within a legislative district of the Host Province		
The financial benefits shall be added to the Regional Share where the generation facility which is physically located and shall be applied in the following manner:		
(a) Community and People Affected - 5% (b) Host Barangay/s - 20% (c) Host City/ies - 35% (d) Host IP/ICC - 5% (e) Host Region - 35%		
Section 3. Separability Clause. If for any reason, any provision of this Circular or application of such provision is held invalid, the other provisions hereof as they are separable, shall remain in full force and effect.		
Section 4. Repealing Clause. All prior issuances, rules, regulations, or part thereof which are inconsistent with this Circular are hereby repealed, revoked, amended, or modified accordingly.		

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Section 5. Effectivity. This Circular shall take effect within fifteen (15) days after its complete publication in two (2) newspapers of general nationwide circulation and submission to the University of the Philippines Law Center – Office of National Administrative Register.		