

Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT ORDER NO. DO2017-04-0006 *m*

**CREATION OF A TASK FORCE TO REVIEW, STUDY AND LOOK INTO THE
ALLEGATIONS OF IRREGULARITIES AND CORRUPTION IN THE ENERGY
REGULATORY COMMISSION (ERC) AND MAKE RECOMMENDATIONS FOR THE
DEPARTMENT, THE OFFICE OF THE PRESIDENT AND CONGRESS**

WHEREAS, under Republic Act No. 9136 or the EPIRA Law, it is the declared policy of the State, among others, (1) to ensure the quality, reliability, security and affordability of the supply of electric power; (2) to ensure transparent and reasonable prices of electricity in a regime of free and fair competition and full public accountability to achieve greater operational and economic efficiency and enhance the competitiveness of Philippine products in the global market; (3) to protect the public interest as it is affected by the rates and services of the public utilities and other providers of electric power; and (4) to establish a strong and purely independent regulatory body and system to ensure consumer protection and enhance the competitive operation of the electricity market;

WHEREAS, the EPIRA Law converted the Energy Regulatory Board into the Energy Regulatory Commission (ERC) as the rate-fixing regulatory agency for energy in the country;

WHEREAS, due to the unfortunate suicide of one of ERC's directors last November 9, 2016, allegations of irregularities, prohibited practices and corruption in the ERC was brought to light and has since then escalated to the point of rendering the Commission unable to effectively and efficiently perform its duties and functions as mandated by the EPIRA Law;

WHEREAS, the lamentable state of affairs in the ERC has resulted in backlogs in the approvals, applications, issuances and resolution of complaints and cases pending before the Commission;

WHEREAS, if the situation is not immediately resolved, this will adversely impact our already overburdened end-users and project a negative image for the energy industry -- which may potentially discourage prospective investors this administration has worked so hard to entice and bring in to do business in our country;

WHEREAS, the Department was recently furnished a copy of the Letter-Complaint dated 10 April 2017 and signed by four Commissioners of the ERC addressed to the Office of the President which was received with its corresponding attachments; and

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WHEREAS, the Department is authorized under Section 37 (q) of the EPIRA Law to exercise such other powers as may be necessary and incidental to attain the objectives of this Act.

NOW, THEREFORE, in consideration of the above-mentioned premises, the following are hereby **ORDERED**.

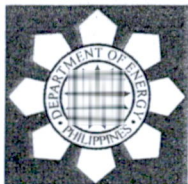
Section 1. Creation and Composition. There is hereby created a Task Force to be composed of the following:

Chairman:	Asec. Caron Aicitel E. Lascaño
Vice-Chairman:	Atty. Arthus T. Tenasas
Members:	Asec. Robert B. Uy
	Asec. Leonido J. Pulido, III
	Ms. Angelina V. Manga

Section 2. Responsibilities. The Task Force shall have the following responsibilities:

- a. Conduct a review, validation and further probe into the allegations contained in the Letter-Complaint dated 10 April 2017;
- b. Study the recommendations included therein (if any), make a recommendation to the Secretary whether or not to endorse the same and other steps to take in order assist and expedite its adoption and implementation;
- c. Make recommendations as to what other courses of action to take, to include legal bases, rationale, and other relevant details;
- d. Make an assessment of the potential damage and impact and recommend measures to prevent or at least mitigate its adverse impact to the Commission, public and the industry sector;
- e. Report on findings of areas for improvement and make policy recommendations to correct or prevent the same problems from occurring the same; and
- f. Perform such other functions as the DOE Secretary may direct.

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Section 3. Term and Completion. The term of the Task Force shall end upon the conclusion or complete performance of the responsibilities upon the submission of the Final Report in full compliance of its mandate as directed in Section 2 above or 31 May 2017, whichever is earlier. The DOE Secretary may grant for a reasonable period of extension upon justified request from the Task Force.

Section 4. Confidentiality. Given the sensitivity of some of matters and its potential impact to the public and the industry, the Task Force shall maintain the confidentiality and respect the sensitivities and wishes of the bereaved family of Atty. Francisco Villa, Jr. on matters not a matter of public knowledge. Further, the confidential nature of information obtained in the course of the performance of the mandate of the task force shall be maintained. No statements may be made as to the findings of the committee or content of the report prior to its submission to the DOE Secretary.

Section 5. Funding. Necessary funding for the effective and efficient execution of the objectives of the Task Force shall be sourced from available funds of the Department.

Section 6. Effectivity. This Order shall take effect immediately.

Issued this 19th day of April 2017 at Energy Center, Rizal Drive, Fort Bonifacio Global, Taguig City, Philippines.


ALFONSO G. CUSI
Secretary



APR 20 2017