

**[ REPUBLIC ACT NO. 11039, June 29, 2018 ]**

**AN ACT INSTITUTIONALIZING THE ELECTRIC COOPERATIVES  
EMERGENCY AND RESILIENCY FUND AND APPROPRIATING  
FUNDS THEREFOR**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

CHAPTER I  
TITLE, POLICY, AND DEFINITIONS

SECTION 1. *Short Title.*- This Act shall be known as the "Electric Cooperatives Emergency and Resiliency Fund Act".

SEC. 2. *Declaration of Policy.*- In cognizance of the on the total electrification of the Philippine on an area coverage basis being vital to the welfare of its people and sound development of the nation, it is hereby declared the policy of the State to ensure and accelerate the total electrification of te country and pursue and foster, in an orderly and vigorous manner, the attainment of such objective. For this purpose, the State shall:

(a) Support and assist, to the fullest extent, electric cooperatives adversely affected by a fortuitous event or by *force majeure* in order to immediately restore electric service recognizing that the absence of electric service after a fortuitous event or by *force majeure* is a national security issue, thereby:

(1) Facilitating the rescue and relief operations, availability of basic services such as food, water, medicine, and hospitals, and mitigation of civil unrest;

(2) Aiding the normal functioning of local government units (LGUs) and communities, and easing the recovery of the adversely affected individuals and families; and

(3) Complementing the effort of the affected LGUs in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas.

(b) Provide an orderly and continuing means of financial assistance to electric cooperatives in carrying out their responsibility of providing reliable electric service necessary to alleviate the sufferings and damages brought about by a fortuitous event or *force majeure* by:

(1) Allocating funds in the form of grants for disaster mitigation, disaster preparedness, and restoration or rehabilitation of electric cooperatives damaged facilities that are readily accessible;

(2) Providing a streamlined process for the availment of the fund; and

(3) Requiring the electric cooperatives to develop and implement comprehensive vulnerability and risks assessments which identify disaster preparedness and mitigation measures to protect and strengthen critical infrastructure assets, and emergency response plans to address immediate restoration or rehabilitation efforts.

SEC. 3. *Scope.*- This Act shall be applicable to all electric cooperatives throughout the country.

SEC. 4. *Definition of Terms.*- As used in this Act:

(a) *Disaster* refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic, or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease, and other negative effects on human, physical, mental, and social well-being, together with damage to property, destruction of assets, loss of services, social and economic disruption, and environmental degradation;

(b) *Disaster mitigation* refers to the lessening or limitation of the adverse impacts of hazards and related disasters. Mitigation measures encompass engineering techniques and hazard-resistant construction of structures as well as improved environmental policies and public awareness;

(c) *Disaster preparedness* refers to the knowledge and capacities developed by governments, professional response and recovery organizations, communities, and individuals to effectively anticipate, respond to, and recover from the impacts of likely, imminent, or current hazard events or conditions. Preparedness action is carried out within the context of disaster risk reduction and management and aims to build the capacities needed to efficiently manage all types of emergencies and achieve orderly transitions from response to sustained recovery. Preparedness is based on a sound analysis of disaster risk and good linkages with early warning systems, and includes such activities as contingency planning, stockpiling of equipment and supplies, the development of arrangements for coordination, evacuation and public information, and associated training and field exercises. These must be supported by formal, institutional, legal, and budgetary capacities;

(d) *Disaster prevention* refers to the outright avoidance of adverse impacts of hazards and related disasters. It expresses the concept and intention to completely avoid potential adverse impacts through action taken in advance such as construction of dams or embankments that eliminate flood risks, land-use regulations that do not permit any settlement in high-risk zones, and seismic engineering designs that ensure the survival and function of a critical building in any likely earthquake:

(e) *Electric cooperative (EC)* refers to a distribution utility created and operating pursuant to Presidential Decree No. 269, otherwise known as the "National

Electrification Administration Decree", as amended, and other existing laws;

(f) *Emergency response plan* refers to the written and formal plan developed based on the results of the Vulnerability and Risk Assessment. It contains the organizational structure and steps which will enable the EC to restore its system in a safe and timely manner after a fortuitous event or *force majeure*;

(g) *Force majeure* refers to an event that is a result of elements of nature that cannot be reasonably anticipated or controlled, such as typhoon, storm, tropical depression, flood, drought, volcanic eruption, earthquake, tidal wave, or landslide;

(h) *Fortuitous event* refers to an act of war (declared or undeclared), sabotage, blockade, revolution, riot, insurrection, civil commotion, or any violent or threatening action;

(i) *Joint Congressional Power Commission (JCPC)* refers to the Commission created under Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001";

(j) *National Electrification Administration (NEA)* refers to the government agency created under Presidential Decree No. 269, otherwise known as the "National Electrification Administration Decree", as amended:

(k) *National Disaster Risk Reduction and Management Fund* refers to the calamity fund appropriated under the annual General Appropriations Act which is used for disaster risk reduction or mitigation, prevention and preparedness activities, and disaster rehabilitation and recovery as provided under Republic Act No. 10121, otherwise known as the "Philippine Disaster Risk Reduction and Management Act of 2010";

(l) *Resiliency Compliance Plan* refers to a list of projects and programs of an EC, including the financial requirements, funding sources, and timeline of implementation, necessary to protect and mitigate the disaster vulnerability of all its infrastructure while taking into account the results of the Vulnerability and Risk Assessment;

(m) *Restoration or rehabilitation* refers to the actions or activities undertaken by the ECs to rebuild, replace, or repair the necessary facilities to provide reliable electric service to member-consumers after a fortuitous event or *force majeure*, taking into consideration the designs, materials, or equipment that will make the infrastructure more resilient; and

(n) *Vulnerability and Risk Assessment* refers to the EC's identification of critical assets and the development of disaster preparedness, and disaster prevention and mitigation measures to protect, restore, or strengthen critical assets prior to the onset of a fortuitous event or *force majeure*.

## CHAPTER II

### CREATION AND IMPLEMENTATION OF THE ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY FUND AND RESPONSIBILITIES OF THE NATIONAL ELECTRIFICATION ADMINISTRATION AND THE ELECTRIC COOPERATIVES