MALACAÑANG MANILA

EXECUTIVE ORDER NO. 474

CREATION OF THE PHILIPPINE STRATEGIC OIL, GAS, ENERGY RESOURCES AND POWER INFRASTRUCTURE OFFICE (PSOGERPIO), AND DEFINING THE FUNCTIONS THEREOF

WHEREAS, it is the policy of the State to ensure the quality, reliability, security and affordability of the supply of energy and power, and to enhance the inflow of capital and to promote the use of indigenous and new and renewable energy resources in order to reduce dependence on imported energy;

WHEREAS, the Department of Energy and the Philippine National Oil Company and its subsidiary companies are mandated to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Government relative to exploration, development, production, utilization, distribution and conservation of energy;

WHEREAS, it is the responsibility of the State to protect the public interest as it is affected by the continued volatility of world oil prices, which has more than doubled in the last 18 months;

WHEREAS, under the "Electric Power Industry Reform Act of 2001", the Department of Energy shall encourage private sector investments in the electricity sector and promote development of indigenous and renewable energy resources;

WHEREAS, major foreign banking and international financial institutions have expressed interest to enter into financing agreements with the Philippine Government to assist the private sector in the development of the country's energy resources for alternative fuels and power that are considerably cheaper and cost effective in the long-run;

WHEREAS, given the crisis situation that has dawned upon our economy, there is an urgent need, and it so imperative for Government, to focus and intensify all efforts to promote, develop and fast-track crucial private sector-led oil, gas, energy resources, power and other energy projects; and with the constraints of time, there is a need to create an office for the purpose of coordinating the efforts of the Department of Energy and other departments and agencies in attracting investors and in promoting the use of indigenous and





renewable energy resources and other energy sources to reduce dependence on imported energy and reduce energy cost to the consuming public.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. There is hereby created the Philippine Strategic Oil, Gas, Energy Resources and Power Infrastructure Office (PSOGERPIO) under the Office of the President and which shall hold office at the Department of Energy. It shall primarily promote, assist and fast-track crucial private sector-led oil, gas, energy resources, power and other energy projects to avert the fast approaching energy crisis. The Office shall be headed by a Presidential Assistant.

SECTION 2. The PSOGERPIO, herein known as the "Office", shall:

- a. Develop the Five-Year Philippine Energy Crisis Strategic Plan (PECSP 2006-2010) which shall outline the plans, projects and strategies in averting any approaching energy crisis. The PECSP shall be updated annually by the Office;
- Aggressively promote, develop and fast-track crucial private sector-led oil, gas, coal and other energy resources and power projects under the PECSP;
- c. Certify energy projects as "national priority" based on the approved 5year PECSP;
- d. Undertake agreements with private entities in accordance with and in realization of strategic and "national priority" projects within the scope of the PECSP;
- e. Undertake project development from project conceptualization, feasibility study, and detailed design preparation, project management and construction supervision;
- f. In pursuit of this function, the Office shall arrange and negotiate financing from public finance, bilateral and multilateral Official Development Assistance (ODA) institutions, and from the private sector, subject to existing procurement, accounting and auditing rules and regulations;
- g. Coordinate the efforts of the Department of Energy in attracting investors and in promoting the use of indigenous and renewable energy resources to reduce dependence on imported energy and reduce the energy cost of the consuming public. The DOE and its





attached agencies shall likewise provide all the support and cooperation to the Office;

h. Coordinate activities among the agencies of the government and other entities concerned with, or responsible for, the swift implementation of various aspects of the Office's projects and facilities;

All government agencies shall provide full support and cooperation to *r* the Office in pursuit of its mandate; and,

Perform other functions that the President may direct.

SECTION 3. Repeal – All orders, rules, regulations and issuances, or parts thereof, which are inconsistent with this Executive Order are hereby repealed or modified accordingly.

SECTION 4. Separability – If, for any reason, any part or parts of these provisions were declared unconstitutional and invalid, no other part of the provisions hereof shall be affected thereby.

SECTION 5. Effectivity – This Executive Order shall take effect immediately.

Done this <u>30th</u> day of November 2005, in the City of Manila.

By the President: EDUARDC

Executive Secretary

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