



JOINT RESOLUTION NO. 01, SERIES OF 2022

A JOINT RESOLUTION FOR IMPLEMENTING REPUBLIC ACT NO.11552 ENTITLED “AN ACT EXTENDING AND ENHANCING THE IMPLEMENTATION OF THE LIFELINE RATE, AMENDING FOR THE PURPOSE, SECTION 73 OF REPUBLIC ACT NO. 9136, OTHERWISE KNOWN AS THE ‘ELECTRIC POWER INDUSTRY REFORM ACT OF 2001,’ AS AMENDED BY REPUBLIC ACT NO. 10150”

WHEREAS, it is the declared policy of the State to protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power;

WHEREAS, there is a need to ensure the fair and equitable implementation of the lifeline subsidy among qualified marginalized electricity end-users as provided under Republic Act No. 11552 (R.A. 11552);

WHEREAS, Section 73 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), as amended by Republic Act No. 10150 (R.A. 10150) provides that a socialized pricing mechanism called a lifeline rate for the marginalized end-users shall be set for a period often (10) years, unless extended by law;

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WHEREAS, pursuant to R.A. 10150, the original period under Section 73 of Republic Act No. 9136 was extended from ten (10) years to twenty (20) years,

WHEREAS, under Section 1 of R.A. 11552, further amending Section 73 of the EPIRA, as amended by R.A. 10150, the period of twenty (20) years was further extended to fifty (50) years during which the Energy Regulatory Commission (ERC) shall determine the level of consumption, subsidy, and rate after due notice and hearing; Provided, that the ERC shall primarily utilize data from the PSA, *to wit*;

SEC. 73. Lifeline Rate. — In order to provide assistance to electricity consumers, especially those living below the poverty line, and to achieve a more equitable distribution of the lifeline subsidy, a socialized pricing mechanism called a lifeline rate for qualified marginalized end-users shall be set by the ERC which shall be exempted from the cross subsidy phase-out under this Act for a period of fifty (50) years, unless otherwise extended by law. The level of consumption, subsidy, and rate shall be determined by the ERC after due notice and hearing: Provided, That the ERC shall primarily utilize data from the Philippine Statistics Authority (PSA) in the determination of the level of consumption.

WHEREAS, under Section 3 of R.A. 11552, the ERC, together with the Department of Energy (DOE) and the Department of Social Welfare and Development (DSWD), shall promulgate the Implementing Rules and Regulations (IRR) for R.A. 11552 to provide assistance to the marginalized electricity end-users, and to ensure a more equitable distribution of the lifeline subsidy;

WHEREAS, Section 1 of R.A. 11552 defines who are considered as Qualified marginalized end-users, *to wit*;

Qualified marginalized end-users shall refer to any of the following:

(a) Qualified household-beneficiaries under Republic Act No. 11310, otherwise known as the "Pantawid Pamilyang

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Pilipino Program (4Ps) Act," as regularly submitted by the Department of Social Welfare and Development (DSWD) to the DOE, the ERC, and the distribution utility, whose level of consumption shall be within the threshold determined by the ERC, are qualified marginalized end- users under this Act; or

(b) Marginalized end-users who have been certified and continually validated as such by their distribution utility base on a criteria determined by the ERC: Provided, That the criteria shall take into account, among others, the poverty threshold set by the PSA, and shall contain an exclusive list of requirements to be submitted to the distribution utility: Provided, further, That the exclusive list of requirements shall be simplified and reasonable for the applicant: Provided, furthermore, That the distribution utility shall act on the application for certification as a marginalized end-user within two (2) working days from submission of complete documentary requirements: Provided, finally, That the distribution utility's action on the application shall be within ten (10) working days during the initial implementation of this Act. The ERC, together with the DOE and DSWD, in consultation with the PSA and other public and private stakeholders, shall promulgate the implementing rules and regulations of this Act within ninety (90) calendar days from its effectivity.

All qualified marginalized end-users shall continually meet the criteria in this Act to avail of the lifeline rate.

The ERC shall promulgate rules and guidelines for qualified marginalized end-users whose meters or service connections are not registered in their name.

WHEREAS, the ERC is entrusted with the following responsibilities:

- a. To determine the new lifeline level of the DUs, consistent with the requirement of the Act;
- b. To provide the criteria upon which a DU may determine if a marginalized end-user is qualified to avail of lifeline discount rates;

- c. To formulate an exclusive list of qualifications and requirements, simplified and reasonably understandable to the marginalized end-users, to be submitted to their respective DUs;
- d. To conduct a comprehensive quantitative and qualitative evaluation of its implementation every two (2) years to include modes of validation and prevention of leakages;
- e. To submit an annual report to the Joint Congressional Energy Commission (JCEC) on the implementation of the lifeline rate; and
- f. To exercise other powers necessary and incidental to attain the objectives of the Act, such as the monitoring of compliance with other guidelines it shall issue pursuant to the implementation of Lifeline rate.

WHEREAS, the DOE is tasked to formulate and promulgate policy guidelines deemed necessary to ensure that the law and these Rules are being lawfully implemented; and to exercise such other powers as may be necessary or incidental to attain the objectives of the Act;

WHEREAS, the DSWD is tasked to provide the list of qualified household-beneficiaries nationwide using a standard targeting system; to ensure a uniform and objective procedure of identifying potential beneficiaries; and to submit annual list of qualified household-beneficiaries under the 4Ps Act to the DOE and ERC.

WHEREAS, pursuant to the said IRR, DUs must file a petition with the ERC for the approval of the level of lifeline consumption to be qualified for the Lifeline Rate in accordance with the provisions of R.A. 11552 and the level of lifeline discount;

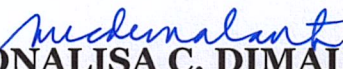
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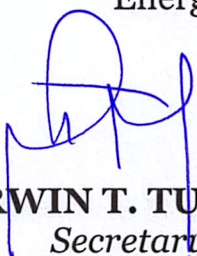
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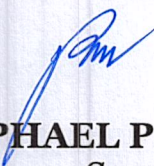
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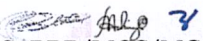
NOW THEREFORE, pursuant to Republic Act No. 11552 (RA 11552), the Energy Regulatory Commission (ERC), the Department of Energy (DOE) and Department of Social Welfare and Development (DSWD), in consultation with the Philippine Statistics Authority (PSA) and other public and private stakeholders, and with the approval of the Joint Congressional Energy Commission, hereby issue, adopt and promulgate the rules and regulations to implement the provisions of RA 11552. The said Implementing Rules and Regulations is hereto attached as "Annex A".

Pasig City, 28 October 2022.


MONALISA C. DIMALANTA
Chairperson & CEO
Energy Regulatory Commission


ERWIN T. TULFO
Secretary
Department Social Welfare and
Development


RAPHAEL P.M. LOTILLA
Secretary
Department of Energy


LS: BBB/MCC/MCCG

RULES AND REGULATIONS TO IMPLEMENT REPUBLIC ACT NO. 11552, ENTITLED “AN ACT EXTENDING AND ENHANCING THE IMPLEMENTATION OF THE LIFELINE RATE, AMENDING FOR THE PURPOSE, SECTION 73 OF REPUBLIC ACT NO. 9136, OTHERWISE KNOWN AS THE ‘ELECTRIC POWER INDUSTRY REFORM ACT OF 2001,’ AS AMENDED BY REPUBLIC ACT NO. 10150.”

Pursuant to Section 3 of Republic Act No. 11552, entitled *An Act Extending and Enhancing the Implementation of the Lifeline Rate, Amending for the Purpose, Section 73 of Republic Act No. 9136, otherwise known as the “Electric Power Industry Reform Act Of 2001,” as Amended By Republic Act No. 10150, (herein after referred to as the “Act”)* the Energy Regulatory Commission (ERC), together with the Department of Energy (DOE) and Department of Social Welfare and Development (DSWD), in consultation with the Philippine Statistics Authority (PSA) and other public and private stakeholders, hereby issues, adopts and promulgates the following rules and regulations to implement the provisions of the Act.

PART I – GENERAL PROVISIONS

RULE 1. Title, Purpose, Scope, Application, and Construction

Section 1. Title.

These rules and regulations shall be referred to as the *“Implementing Rules and Regulations of Republic Act No. 11552,”* otherwise known as *An Act Extending and Enhancing the Implementation of the Lifeline Rate, Amending for the Purpose, Section 73 of Republic Act No. 9136, otherwise known as the “Electric Power Industry Reform Act of 2001,” as Amended by Republic Act No. 10150.*

Section 2. Purpose.

To ensure a fair and equitable implementation of the lifeline subsidy among qualified marginalized electricity end-users as provided under Republic Act No. 11552.

Section 3. Scope of Application.

This Implementing Rules and Regulations shall provide the framework for the implementation of Republic Act No. 11552 including the procedures for the availment by marginalized electricity end-users of the lifeline rate subsidy. This further provides the relation and responsibilities of the Energy Regulatory Commission, the Department of Energy, and the Department of Social Welfare and Development, the distribution utilities, the marginalized electricity end-users and other stakeholders that may be affected by the implementation of R.A. 11552.

Section 4. Statutory Construction.

This Implementing Rules and Regulations shall be liberally construed insofar as these are consistent with the promotion and protection of the interests of qualified marginalized end-users, especially those living below the poverty line threshold, and to achieve a more equitable distribution of the lifeline subsidy.

RULE 2. DECLARATION OF POLICIES AND OBJECTIVES

Section 1. Declaration of Policies.

It is hereby declared the policy of the State:

- (a) 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; and
- (b) To protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power.

Section 2. Objectives.

These Rules shall have the following objectives:

- (a) To provide assistance to electricity consumers, especially those living below the poverty threshold, as may be determined by the PSA;
- (b) To achieve a more equitable distribution of the lifeline subsidy;
- (c) To provide the necessary safeguards and mechanisms that will ensure that the benefits of lifeline rates are limited only to those qualified under the law and these rules and regulations; and
- (d) To protect the public interest as it is affected by the rates and services of the DUs with respect to the implementation of Republic Act No. 11552.

RULE 3. DEFINITION OF TERMS

As used in these Rules, the following terms shall have the following respective meanings:

- (a) “**Act**” unless otherwise stated, refers to Republic Act No. 11552, otherwise known as *An Act Extending and Enhancing the*

Implementation of the Lifeline Rate, Amending for the Purpose, Section 73 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001," as Amended by Republic Act No. 10150;

- (b) **"Department of Energy" or "DOE"** refers to the government agency created pursuant to Republic Act No. 7638 whose expanded functions are provided under of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA);
- (c) **"Department of Social Welfare and Development" or "DSWD"** refers to the government agency, mandated under Executive Order No. 221, Series of 2003, to provide assistance to local government units (LGUs), non-government organizations (NGOs), other national government agencies (NGAs), people's organizations (POs) and members of civil society in effectively implementing programs, projects, and services that will alleviate poverty and empower disadvantaged individuals, families and communities for an improved quality of life as well as implement statutory and specialized programs which are directly lodged with the Department and/or not yet devolved to LGUs;
- (d) **"Distribution Utility" or "DU"** refers to any electric cooperative, private corporation, government-owned utility or owned and operated by an existing local government unit which has an exclusive franchise to operate a distribution system in accordance with Republic Act No. 9136;
- (e) **"Energy Regulatory Commission" or "ERC"** refers to the regulatory agency created under Section 38 of Republic Act No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA);
- (f) **"Implementing Rules and Regulations" or "IRR"** refers to the Implementing Rules and Regulations of Republic Act No. 11552 also known as *An Act Extending and Enhancing the Implementation of the Lifeline Rate, Amending for the Purpose Section 73 of Republic Act No. 9136, Otherwise Known as the Electric Power Industry Reform Act of 2001, as amended by Republic Act No. 10150;*
- (g) **"Lifeline Rate"** refers to the subsidized rate given to qualified marginalized end-users defined under the Act, as part of the socialized pricing mechanism that provides for percentage discount, subject to the guidelines set by the ERC;
- (h) **"Lifeline Consumption Threshold"** is the level of kilowatt hour consumption of qualified marginalized end-users that is

subject to lifeline rate set by the ERC based on the official poverty threshold set by the PSA;

- (i) ***“Lifeline subsidy rate”*** refers to the rate charged to non-lifeline customers to cover for the lifeline discount provided to marginalized/low income captive market end-users;
- (j) ***“Marginalized End-Users”*** refer to captive, household electricity consumers whose household income fall below the poverty threshold of the province or of the district, whichever is applicable under Rule 8, Section 1 herein, and whose level of electricity consumption fall at or below the consumption threshold determined and approved by the ERC.

A qualified marginalized end-user shall refer to any of the following:

- i. Qualified household-beneficiaries under Republic Act No. 11310, otherwise known as *the “Pantawid Pamilyang Pilipino Program (4Ps) Act,”* which shall be based on a list regularly prepared by the Department of Social Welfare and Development (DSWD) and provided to the DOE, the ERC, and endorsed to the distribution utilities; or
 - ii. Marginalized end-users who have been certified and continually validated as such by their respective distribution utility, based on a criteria determined by the ERC.
- (k) ***“Pantawid Pamilyang Pilipino Program”*** or ***“4Ps”*** refers to the national poverty reduction strategy and human capital investment program, under Republic Act No. 11310, that provides conditional cash transfer to poor households for a maximum period of seven (7) years, subject to a longer period under exceptional circumstances, to improve the health, nutrition and education aspect of their lives;
 - (l) ***“Philippine Statistics Authority”*** or ***“PSA”*** refers to the government agency created by virtue of Republic Act No. 10625, otherwise known as the *Philippine Statistical Act of 2013*, which was signed into law by President Benigno Simeon Aquino III on September 12, 2013;
 - (m) ***“Poverty Threshold”*** shall mean the minimum income/expenditure required for a family/individual to meet the basic food and non-food requirements, as determined by the PSA; and
 - (n) ***“Subsidizing End-Users”*** refer to non-senior citizens and non-qualified senior citizen end-users who shall bear the discounts and adjustments extended to qualified senior citizen

end-users. All lifeline customers are excluded from the subsidizing end-users' base.

RULE 4. RESPONSIBILITIES OF THE DOE, ERC, DSWD, PSA and DUs

Section 1. Responsibilities of the DOE

- (a) To formulate and promulgate policy guidelines to ensure that the objectives of the Act are met;
- (b) To lead in the information dissemination in relation to the implementation of the Act; and
- (c) To exercise such other powers as may be necessary or incidental to attain the objectives of the Act.

Section 2. Responsibilities of the ERC.

- (a) To establish the criteria and qualifications upon which a DU may determine if a marginalized end-user is qualified to avail of lifeline rate as provided under the Act;
- (b) To determine the consumption threshold which will serve as basis for approval of the new lifeline subsidy and rate that will be observed by the DUs, consistent with the requirements of the Act;
- (c) To formulate an exclusive list of requirements, simplified and reasonably understandable to the marginalized end-users, to be submitted to their respective DUs;
- (d) To conduct a comprehensive quantitative and qualitative evaluation of the implementation of the lifeline subsidy scheme, including the modes of validation and prevention of leakages, every two (2) years from the implementation of the Act;
- (e) To submit an annual report to the Joint Congressional Energy Commission (JCEC) on the implementation of the lifeline rate;
- (f) To assist the DOE in its dissemination in relation to the implementation of the Act; and
- (g) To exercise other powers necessary and incidental to attain the objectives of the Act, such as the monitoring of compliance with other relevant guidelines it shall issue.

Section 3. Responsibilities of the DSWD.

- (a) To devise a standard targeting system and ensure a uniform and objective procedure of identifying potential beneficiaries;
- (b) To issue certification in favor of 4Ps Act beneficiary and household member who has a family income below the poverty ~~line~~ threshold, as determined by the PSA;
- (c) To submit the annual list of qualified beneficiaries under the 4Ps Act to the DOE and ERC, which the latter shall endorse to the DUs as basis for acting on applications for registration by 4Ps consumers for the availment of the Lifeline Rate;
- (d) To assist the DOE in its information dissemination efforts on the Lifeline Rate Mechanism and Republic Act No. 11552 by informing, through its Field Offices, the Social Welfare Development Offices (SWDO) in the various local government units of the said Act and this IRR, including their role in the Certification process as provided under the IRR; and
- (e) To provide guidance to locally-based SWDOs in the implementation of certification standards and processes that will help achieve the objectives of the Act Given as part of DSWDs mandate to monitor and provide technical assistance to SWDOs.

Section 4. Responsibilities of the PSA.

- (a) To set the poverty threshold by region and province, as well as the national level on an annual basis in order to serve as one of the bases for the certification and continual validation of marginalized end-users;
- (b) To annually submit to the ERC, subject to the report's availability, the updated information and data on family expenditures, including the household energy consumption level of families by region and by province to facilitate ERC's conduct of qualitative and quantitative evaluation of the implementation of the lifeline subsidy as required every two (2) years; and
- (c) To assist the ERC with the conduct of surveys and other studies that are vital to the evaluation and review of the implementation of the Act and updating of the criteria for the lifeline subsidy scheme.

Section 5. Responsibilities of the DUs.

- (a) To prepare, institute and effectively implement a business process for application, validation and reporting, as required in (b), (c), and (d) herein;

- (b) To act on the application for certification as marginalized end-users within the period as specified in the Act and its IRR, and based on the criteria and requirements as established by the ERC;
- (c) To continually validate and verify the eligibility and qualifications of marginalized end-users under the Act already enjoying the lifeline subsidy, in accordance with the criteria provided under Rule 8 herein;
- (d) To submit reports, information, and other data that the ERC may require; and
- (e) To comply with the IRR and other pertinent guidelines of the ERC to ensure the proper implementation of the Act.

PART II – LIFELINE RATE

RULE 5. DETERMINATION OF NEW LIFELINE RATE

Section 1. Application for the New Lifeline Rate

The Lifeline Rate to be imposed by each DU shall be determined by the ERC *motu proprio*, upon compliance with due process.

The ERC shall be guided by pertinent data from the DSWD, PSA, and the DOE in the determination of the Lifeline Rate.

The process for such determination shall be in accordance with the Rules of Practice and Procedures of the ERC.

Section 2. Implementation of the Lifeline Rate.

The DUs shall continue to implement the existing approved lifeline rate, lifeline subsidy rate and lifeline consumption threshold until a new lifeline rate, lifeline subsidy rate and lifeline consumption threshold is approved by the ERC based on the Act and this IRR.

RULE 6. REQUIREMENTS FOR THE GRANT OF LIFELINE RATE TO MARGINALIZED END-USER

Section 1. Qualified Marginalized End-User.

End-users belonging to any of the following, subject to conditions and criteria under the Act and this IRR, may be qualified to avail of the lifeline rate:

- (a) Qualified household-beneficiary under the Republic Act No. 11310, otherwise known as the “*Pantawid Pamilyang Pilipino*”

Program” or “*4Ps Act*” subject to certain conditions provided under Section 73 of the Republic Act No. 9136, as amended by Section 1 of Republic Act No. 11552; or

- (b) A marginalized end-user, living below the poverty threshold established by the Philippine Statistics Authority (PSA), who possesses the qualifications and none of the disqualifications under the Act and its IRR.

Consumers duly certified and whose qualifications have been validated, as provided herein, shall be deemed qualified marginalized end-users for purposes of availing of the lifeline benefits under the Act. A template of the Certification by the local SWDO is attached as Annex A.

Section 2. Registration of Electric Service for the Availment of Lifeline Rate.

A qualified marginalized end-user may avail of the Lifeline Rate for only one electric service account.

In case of transfer or change of residence, the following shall be observed:

- (a) Where the new residence is being served by the same DU – the grant of Lifeline Rate to the qualified marginalized end-user shall remain, but the same shall be un-tagged in the old residence and transferred to the new address upon submission of the re-issued certificate provided under Rule 7, Section 3 herein; or
- (b) Where the new residence is being served by a different DU – the grant of Lifeline Rate shall be canceled by the DU originally serving the said residence, and the Lifeline Rate shall be granted by the new DU in favor of the said marginalized end-user upon submission of the re-issued certificate provided under Rule 7, Section 3 herein.

The DU shall issue a certification in favor of the qualified marginalized end-user, certifying that it had un-tagged or canceled the grant of lifeline rate in the residence indicated in the DSWD/SWDO certification of the qualified marginalized end-user. A Certification template is attached herewith as Annex B.

Section 3. Registration of Electric Service for the Availment of Lifeline Rate by End-Users Who Are Not the Registered Owners of the Electric Service Account

As a general rule, the electric service account with a distribution utility must be registered under the name of the person applying as a qualified marginalized consumer.

The general rule provided under this Section, however, may be waived under any of the following circumstances:

- (a) The Applicant marginalized end-user is a family or household member living in the same household covered by the electric service;
- (b) In cases where the dwelling unit being serviced by the DU is being leased to the Applicant marginalized end-user and the electric service account is in the name of the lessor or a previous lessee/occupant; or
- (c) In cases where the dwelling unit being serviced by the DU is being leased to a beneficiary of the 4Ps Act or any member of the 4Ps beneficiary's household.

Provided that, they can show proof that they are in actual possession and occupation of the said dwelling unit being serviced by the DU.

Any proof of residence, such as a government-issued ID, or a Barangay Certificate, must be submitted by the Applicant marginalized end-user for the circumstances defined under items (a), (b), and (c) of this Section. In cases of lease, proof of residence may be the contract of lease.

Section 4. Filing of Application through a Representative.

If the applicant is unable to personally file the application for justifiable reasons, the said application may be filed through his or her duly-authorized representative; *Provided that*, a signed Letter of Authority, whether typewritten or handwritten, will be submitted to the DU, together with a valid government-issued ID (with signature) of both the representative and the represented. *Provided further*, that the reasons for the applicant's inability to personally file the application shall be cited in the letter, such as, but not limited to health reasons, or old age, among others.

Section 5. Documents to be Submitted to the DU.

- (a) Any consumer who is a beneficiary of the 4Ps and applying for the grant of lifeline rate must submit, physically or electronically, the following:
 - i. A duly-accomplished Application Form;
 - ii. Most recent electricity bill for the electric service being applied for; and
 - iii. Any valid government-issued ID containing the signature and address of the consumer.
- (b) Other applicant marginalized end-users who are not 4Ps beneficiaries, but whose family income fall below the applicable poverty threshold, shall submit, physically or electronically, the following documents to the DU:

- i. A Certification from the local SWDO issued within six (6) months prior to the filing of the application, showing that his or her family income is below the poverty threshold applicable at the time of his or her application;
 - ii. A duly-accomplished Application Form;
 - iii. Most recent electricity bill for the electric service being applied for; and
 - iv. Any valid government-issued ID containing the signature and address of the consumer.
- (c) For qualified marginalized end-users, except 4Ps beneficiaries, who are applying for the renewal of the Lifeline Rate, he/she must submit physically or electronically, the following documents:
- i. A Certification from local SWDO issued within six (6) months prior to the application for renewal;
 - ii. Most recent electricity bill for the electric service being applied for; and
 - iii. Any valid government-issued ID containing the signature and address of the consumer; and
 - iv. Previous Certification of Lifeline Coverage issued by the DU.

The Certification issued by the local SWDO for purposes of the Act and this IRR, shall only serve as a supporting document to the application. The DUs, in evaluating the applications, shall validate the qualifications of the applicants based on the criteria set by the ERC, and the 4Ps lists that was endorsed to them by the ERC.

Section 6. Disqualifications from the Grant of Lifeline Rate.

The following, are not qualified to avail of the lifeline rate:

- (a) Marginalized end-users who are:
 - i. residing in condominiums or subdivision projects except those who are residing in condominiums and subdivision projects which are under the programs or projects of the government duly certified by the LGU or relevant authorities; and
 - ii. availing of the net-metering services, subject to Section 15 of the Amended Rules Enabling the Net-Metering Program for Renewable Energy, with the exception of marginalized end-users deemed qualified under Section 15 of the Net Metering Rules, and subject to the criteria, requirements, and qualifications provided under this IRR;
- (b) Those who do not qualify in any of the categories under Rule 6 Section 1 herein, but whose level of consumption falls at or below the consumption threshold determined and approved by the ERC; and

- (c) Those found to be in violation of Republic Act No. 7832, otherwise known as the Anti-Pilferage of Electricity and Theft of Electric Transmission Lines/Materials Act of 1994, shall be disqualified from availing of the lifeline rate. For this purpose, the DU shall immediately revoke the Certification of Lifeline Coverage issued to the end-user upon verification that the end-user is convicted of violating Republic Act No. 7832. Provided further, that an end-user found to be in violation of Republic Act No. 7832 shall no longer be allowed to avail of the lifeline subsidy.

RULE 7. CERTIFICATION BY THE DSWD/SWDO.

Section 1. Issuance of a Certified List of 4Ps Beneficiaries by the DSWD.

The DSWD shall issue a Certified List of 4Ps Beneficiaries on an annual basis and shall provide a copy thereof to DOE and the ERC. This Certified list shall be a basis for determining Applicants who may be qualified to avail the lifeline rate.

The ERC shall be informed of any change in the address of a 4Ps beneficiary. The pertinent DU shall be duly informed by the ERC of such information.

Section 2. Issuance of Certification in Favor of Marginalized End-User.

Upon request of a marginalized end-user, the local SWDO shall issue a Certification in favor of a household member whose family income is below the official poverty threshold. The said Certification shall also indicate the name and address of the household member. The template Certification is attached as Annex A.

The validity of the Certification under this provision shall be for a period of three (3) years. Such information contained in such Certification shall be subject to the validation as provided under the Act and the IRR.

The Certification shall also incorporate a clause informing that the certified individual shall report to the DSWD in case of transfer of residence.

Section 3. Transfer of Residence.

In cases of transfer of residence, the local SWDO shall re-issue a Certification in favor of the certified individual indicating the new address, upon submission of the certification of un-tagging issued by the DU mentioned in Rule 6, Section 2. The period of validity of the re-issued certification shall be the remaining period in the original certification.

RULE 8. AVAILMENT OF LIFELINE RATE

Section 1. Lifeline Rate Availment.

The lifeline rate shall be a non-cash monetary discount to be applied by the distribution utility in the monthly electricity bills of qualified marginalized end-users. The grant of Lifeline Rate shall remain revenue-neutral to the DU, and lifeline subsidy shall be recovered as provided under ERC Resolution No. 16, Series of 2009, and any subsequent amendments thereto.

Section 2. Approval or Disapproval of Application.

The DU shall act on the application and issue a Certification of Lifeline Coverage within two (2) working days from the submission of complete documentary requirements, except that, for the initial twelve (12) months of implementation of the Act, the DU shall have ten (10) working days within which to fully act on the said application and issue the Certification in favor of the Applicant.

The template Certification of Lifeline Coverage is attached as Annex C.

Section 3. Validity of the Grant of Lifeline Rate

The lifeline rate granted to qualified marginalized end-users who are 4Ps Beneficiaries shall be valid within the period indicated in the Certified List issued by the DSWD, unless the DSWD, after re-evaluation, delists the said beneficiary earlier than the original period.

In cases where the marginalized end-user is delisted by the DSWD from the List of Qualified 4Ps beneficiaries, the DU shall discontinue the grant of the lifeline rate no later than two (2) billing cycles from the time it received the list of delisted 4Ps beneficiaries. In such instances, the DU shall duly-inform the end-user of his/her delisting based on the latest list of 4Ps beneficiaries received from the DSWD.

On the other hand, the lifeline rate granted to a qualified marginalized end-user who is not a 4Ps Beneficiary shall be valid for a period of three (3) years from the issuance of the Certification by the local SWDO, as mentioned under Rule 7, Section 3. The subject registration for availment of the Lifeline Rate may be renewed, subject to the conditions provided under Section 4, of this Rule. However, the DU may, at any time, conduct a validation to ensure that the said qualified marginalized end-user is still eligible for the grant of lifeline rate.

Section 4. Renewal of Application for Lifeline Rate.

Qualified marginalized end-users under Rule 6, Section 1 (b), may apply for renewal two (2) months prior the expiration of their Certification of Lifeline Coverage, provided the marginalized end-user submits the most recent documentary requirements required under Rule 6, Section 5 (c). Provided

further, that the DU validates that the Applicant continues to be qualified under the criteria established under the IRR and the ERC rules.

The lifeline rate granted to 4Ps beneficiaries shall only be valid for the period indicated in the Certified List submitted by the DSWD, and shall not be subject to renewal. The said 4Ps beneficiary may, however, be reclassified as a marginalized end-user under Rule 6, Section 1(b), upon submission of the requirements under Rule 6, Section 5(c).

RULE 9. ESTABLISHMENT OF DATABASE OF QUALIFIED MARGINALIZED END-USER

Section 1. Poverty Threshold Report by the PSA.

The PSA shall provide a copy of its latest official report on poverty statistics, including the latest poverty threshold, to the DOE, DSWD and ERC on or before the 31st day of January each year, subject to the report's availability. The poverty threshold shall include the national, regional, and provincial poverty threshold, including that of the NCR which shall be by district.

The PSA shall likewise provide the ERC with its latest reports on its Family Income and Expenditure Survey, including the results of the Household Energy Consumption Survey.

These shall be used by the ERC in the determination of the Lifeline Rate as provided in the Act and the IRR.

During the initial implementation of these Rules and Regulations, the most recently available poverty statistics and poverty threshold report shall be made available by the PSA, which shall be used by the local SWDO and ERC for purposes of determining the qualifications for the availment of the lifeline rate.

Section 2. Annual List of 4Ps Beneficiaries.

The DSWD shall provide the ERC and the DOE with a Certified List of 4Ps beneficiaries by the 31st of January each year.

This list shall include the following information:

- (a) Names of 4Ps beneficiaries;
- (b) Address of the Beneficiaries; and
- (c) Period of validity of the 4Ps beneficiaries.

The list shall also indicate the following:

- (a) Newly qualified 4Ps Beneficiaries; and
- (b) Delisted 4Ps Beneficiaries.

The annual list shall be segregated by City/Municipality.

The subject list shall be endorsed by the ERC to the respective DUs.

The said list shall be the basis of the DUs in annually updating the list of qualified 4Ps beneficiaries of the lifeline rate.

The DUs shall implement the updated list no later than two billing cycles from its receipt of the subject list.

Section 3. DU Reportorial Requirement.

The DUs shall submit, no later than the 30th day of April of each year, an annual report on the implementation of the lifeline subsidy. The reports shall include the annual and monthly number of qualified marginalized end-users, by region, and by province, city/municipality, and by:

- (a) by level of consumption; and
- (b) by kWh sales.

Annual implementation reports, following the first year of reporting, shall include the annual and monthly number of new applicants certified and registered as marginalized end-users, as well as annual and monthly number of marginalized end-users whose Certification of Lifeline Coverage have been revoked for failure to meet the qualification and criteria under the IRR. The reasons for delisting shall likewise be reported.

The DUs should develop a monitoring system to ensure marginalized end-users who have been certified for the grant of lifeline rate are being continually validated based on the criteria determined by the ERC.

PART III – FINAL PROVISIONS

RULE 10. REVIEW OF THE LIFELINE RATE IMPLEMENTATION

The DOE, ERC and DSWD shall, *motu proprio*, conduct a regular review of the implementation of the Act and its IRR, to ensure that the objectives mentioned under Rule 2, Section 2 of this IRR, is being observed. In connection thereto, the DOE, ERC and DSWD, upon compliance with due process, may issue subsequent rules and regulations or other issuances, as necessary.

RULE 11. PENAL CLAUSE

Violation of any provision of these Rules shall be subject to the imposition of fines and penalties in accordance with the “Guidelines to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties Pursuant to Section 46 of the Act” promulgated by ERC on May 17, 2002, as amended by Resolution No. 03, Series of 2009, entitled *Resolution Amending Guidelines to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties Pursuant to Section 46 of Republic Act*

No. 9136 dated February 23, 2009, including any subsequent amendments thereto.

RULE 12. SEPARABILITY CLAUSE

Should any provision under these Rules be subsequently declared unconstitutional, the same shall not affect the validity or the legality of the other provisions herein.

RULE 13. REPEALING CLAUSE

All rules and regulations or other issuances or parts thereof which are inconsistent with these Rules are hereby modified or repealed.

RULE 14. EFFECTIVITY

These Rules shall take effect on the fifteenth (15th) day from the date of its publication in the Official Gazette or in a newspaper of general circulation.

hcg/gcj/jacf/ngc/ajmo/llg
mcc/clb/mccg
/lifeline2022

Note: The Certification must bear the official header of the DSWD/SWDO

Annex A – Certification by the SWDO

**CERTIFICATION
(Sample)**

This is to certify that, after verification, **First Name, Middle Initial, Surname**, of legal age, residing at _____ (complete with street address) _____, is found to have a family income below the latest poverty threshold as determined by the PSA in its report on (insert date of poverty threshold report). Therefore, the above individual may qualify for the grant of Lifeline Rate as provided under Republic Act No. 11552 and its Implementing Rules and Regulation. *Provided that*, the address indicated herein shall be the same address used in the electric service being applied for.

In case of transfer of residence, the above qualified marginalized end-user shall inform the above office the issuance of Certificate.

The validity of this certification shall be from _____to _____.

_____ Name and Signature of the Qualified Marginalized End-User	_____ Name and Signature of the Authorized Representative of the SWDO (Position)
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Date of Issuance

Any person who will be found falsifying this document shall be held liable under existing laws.

Note: The Certification must bear the official header of the DU

Annex B – Certificate of Un-Tagging

**CERTIFICATE OF UN-TAGGING
(Sample)**

This is to certify and verify that, the Lifeline Rate granted to **First Name, Middle Initial, Surname** with residence at _____ (complete with street address) _____ with a Certification of Lifeline Coverage issued on _____ (Date of Issuance of Certificate of Lifeline Coverage) _____, has been un-tagged by Name of Distribution Utility as of (insert date) and that the above qualified marginalized end-user is no longer availing the Lifeline Rate in the indicated electric service address.

This Certification is for the purpose of possible reissuance of a Certificate by the SWDO and a new Certification of Lifeline Coverage by another DU to the above qualified marginalized end-user, for purposes of re-applying for the grant of Lifeline Rate for its new residence.

_____ Name and Signature of the Qualified Marginalized End-User	_____ Name and Signature of the Authorized Representative of DU (Position)
_____ Date of Issuance	

Any person who will be found falsifying this document shall be held liable under existing laws.

Note: The Certification must bear the official header of the DU

Annex C – Certification of Lifeline Coverage

**CERTIFICATION OF LIFELINE COVERAGE
(Sample)**

This is to certify that, **First Name, Middle Initial, Surname**, of legal age, residing at _____ (complete with street address) _____, is found to be a qualified marginalized end-user under (insert whether he is qualified under Rule 6, Section 1(a) or Rule 6 1(b) of the Implementing Rules and Regulations of Republic Act No. 11552. Therefore, Name of Distribution Utility is hereby granting a Lifeline Rate in favor of the above qualified marginalized end-user subject to the consumption threshold as approved by the Energy Regulatory Commission (ERC).

In case of transfer of residence, the above qualified marginalized end-user shall inform Name of Distribution Utility, for issuance of Certificate of Un-Tagging in case it will be served by a different Distribution Utility.

The validity of the grant of Lifeline Rate shall be from _____ to _____, without prejudice to the responsibility of the Name of Distribution Utility, to conduct, at any time, a validation to ensure that the said qualified marginalized end-user is still eligible for the grant of lifeline rate as provided for under RA 11552 and its IRR.

_____ Name and Signature of the Qualified Marginalized End-User	_____ Name and Signature of the Authorized Representative of DU (Position)
_____ Date of Issuance	

Any person who will be found falsifying this document shall be held liable under existing laws.