

IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 11039, ALSO KNOWN AS "THE ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY FUND";

IRR of REPUBLIC ACT NO. 11039, December 14, 2018

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/1bd6a27ba21d/>

Pursuant to Section 15 of Republic Act No. 11039, otherwise known as the "Electric Cooperatives Emergency and Resiliency Fund Act," hereinafter referred to as the "Act", the National Electrification Administration (NEA), in consultation with the Department of Energy (DOE) and other relevant government agencies, the electric cooperatives (ECs), and end-users, hereby issues, adopts and promulgates the following Implementing Rules and Regulations (IRR) for the effective and efficient implementation of the Act.

RULE 1

GENERAL PROVISIONS

SECTION 1. TITLE. - These Rules shall be known and cited as the Implementing Rules and Regulations (IRR) of Republic Act No. 11039 also known as the Electric Cooperatives Emergency and Resiliency Fund Act (ECERF Act of 2018).

SECTION 2. PURPOSE. - These Rules are hereby promulgated to prescribe the manner, procedures and guidelines for the implementation of the ECERF Act of 2018, to facilitate compliance therewith, and achieve objectives thereof.

SECTION 3. DECLARATION OF POLICY. - It is the policy of the State to:

(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, 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 efforts 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 risk 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.

SECTION 4. SCOPE OF APPLICATION. - These Rules shall be applicable to all electric cooperatives throughout the country.

SECTION 5. DEFINITION OF TERMS - For the purpose of this IRR, the following terms are defined as follows:

(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 like earthquake;

(e) "Electric cooperative or 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, forest fire, drought, volcanic eruption, earthquake, tidal wave, storm surge, sinkholes or landslide, or other catastrophes;

- (h) "Fortuitous event" refers to an act of war (declared or undeclared), sabotage, blockade, terrorism, revolution, riot, insurrection, civil commotion, or any violent or threatening action;
- (i) "Joint Congressional Power Commission or 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 or 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.

RULE II

THE ELECTRIC COOPERATIVE EMERGENCY AND RESILIENCY FUND

SECTION 6. ELECTRIC COOPERATIVE EMERGENCY AND RESILIENCY FUND (ECERF). - The ECERF refers to the fund appropriated under the annual General Appropriations Act (GAA), which shall be managed and administered by the NEA.

SECTION 7. FUND SOURCE. - The sum of Seven Hundred Fifty Million Pesos (P750,000,000.00) for the initial implementation of the ECERF Act shall be taken from the National Disaster Risk Reduction and Management Fund under Republic Act No. 10121 also known as the Philippine Disaster Risk Reduction and Management Act of 2010 (PDRRM Act of 2010). The Seven Hundred Fifty Million Pesos (P750,000,000.00) comprising the initial amount of the ECERF shall immediately released to the NEA Quick Response Fund (QRF) for proper release to qualified ECs subject to Section 10 of R.A. No. 11039 or the ECERF Act. Thereafter, such amounts necessary for the sustainable implementation of the of the ECERF shall be included in the annual General Appropriations Act (GAA).

SECTION 8. ALLOCATION OF THE ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY FUND (ECERF). The ECERF shall be allocated to NEA for its Quick Response Fund (QRF) and the restoration or rehabilitation of the ECs' damaged infrastructure after a fortuitous event or force majeure, including other post-disaster activities. The concept of "Build Back Better" shall be integrated in the recovery , rehabilitation and reconstruction phases after a disaster to increase the resilience of the affected ECs' infrastructure.

After 50% utilization of the fund, the NEA shall seek for the allocation of a supplementary budget from the National Disaster Risk Reduction and Management Council Fund equivalent to at least the initial fund allocation, subject to the approval of the President of the Republic of the Philippines.

The NEA is authorized to deduct Engineering and Administrative Overhead (EAO) expenses which shall be limited to: (i) pre-construction activities after detailed engineering; (ii) construction project management; (iii) testing and quality control; (iv) acquisition, rehabilitation, and repair of related equipment and parts; and (v) contingencies in relation to pre-construction activities. The EAO expenses shall be treated or booked-up as capitalized expenditures and form part of the project cost.

SECTION 9. DONATIONS. - Donations in the form of funds, whether local or international, intended for the express purpose of restoring or rehabilitating the ECs' infrastructure damaged by a fortuitous event or force majeure, shall be received by the NEA, subject to existing auditing rules and regulations. The NEA shall designate an exclusive account for such donations and shall be utilized exclusively for such restoration or rehabilitation.

Donations in the form of materials and equipment whether local or international, intended for the express purposes of restoring or rehabilitating the ECs' infrastructure damaged by a fortuitous event or force majeure, shall be received by the NEA but directly delivered to the recipient EC or ECs so designated by the donor/s. In case the donor did not designate the recipient EC or ECs, NEA shall have the discretion to choose which among the affected ECs said materials or equipment will be delivered taking into consideration the severity of the damage caused adhering to the principles of good governance such as transparency and accountability.

NEA may likewise accept donations in the form of funds, materials and equipment to carry out its responsibilities under this Act.

All forms of donations shall be exempt from all duties, fees, taxes, and other charges.

RULE III

RESPONSIBILITIES OF THE NATIONAL ELECTRIFICATION ADMINISTRATION AND THE ELECTRIC COOPERATIVES

SECTION 10. POWERS AND FUNCTIONS OF THE NATIONAL ELECTRIFICATION ADMINISTRATION (NEA). - In addition to its current mandate under Presidential Decree No. 269, otherwise known as the "National Electrification Administration Decree", as amended, the NEA shall have the following powers and functions:

- (a) Formulate policies and coordinate the implementation of all activities of the ECs relative to emergency and resiliency management, in consultation with the National Disaster Risk Reduction and Management Council (NDRRMC);
- (b) Mandate the ECs to submit their respective comprehensive and integrated disaster management programs such as, but not limited to, Vulnerability and Risk Assessments or Resiliency Compliance Plan and Emergency Response Plan, and thereafter monitor the implementation of the same as provided under the existing NEA policy issued to ECs and its implementing rules and regulations approved by the NEA Board of Administrators and other additional guidelines or modifications thereto through amendments of its specific provisions as the need arises;
- (c) Review, approve, and certify, in consultation with the NDRRMC, all activities, including financial requirements, of the ECs relative to disaster mitigation, disaster preparedness, and disaster prevention plans as well as a result of the Vulnerability and Risk Assessment;

- (d) Develop reasonable guidelines and rational documentary requirements for the ECs to avail of the ECERF including the issuance of other additional guidelines or modifications thereto through amendments of its specific provisions as the need arises;
- (e) Formulate an efficient procedure for program participation and criteria for fund allocation;
- (f) Determine the annual budget of the ECERF and submit the same for approval by Congress;
- (g) Receive donations, in the form of funds, materials, or equipment, which are intended not only for the purpose of addressing the restoration of the ECs' infrastructure damaged by a fortuitous event or force majeure, but for such other activities to carry out its responsibilities under this Act, subject to existing auditing rules and regulations;
- (h) Provide necessary assistance to the ECs, including the preparation of individual Resiliency Compliance Plans or VRA for incorporation in their respective Distribution Development Plans submitted to the NEA;
- (i) Ensure that the ECs' resiliency programs are feasible in accordance with sound management, economic and engineering standards; and
- (j) Promulgate such rules and regulations as may be necessary to implement the objectives and provisions of the ECERF Act.

SECTION 11. RESPONSIBILITIES OF THE ELECTRIC COOPERATIVES (ECS) - In addition to their primary mandate to implement the rural electrification program of the country under existing laws, the ECs shall ensure the protection, preparedness, and mitigation of the adverse impact of any fortuitous event or force majeure to their infrastructure.

The ECs shall also ascertain the ability of their manpower to undertake emergency response for the immediate restoration or rehabilitation of their damaged infrastructure after a fortuitous event or force majeure.

The ECs shall likewise have the following additional responsibilities:

- (a) Submit to the NEA a Vulnerability and Risk Assessment of all their infrastructure in accordance with the NEA-approved template subject to the existing guidelines including additional guidelines or modifications thereto through amendments of its specific provisions as the need arises;
- (b) Prepare and submit to the NEA a Resiliency Compliance Plan, to include a list of projects and programs, including the financial requirements, funding sources, and timeline of implementation, necessary to protect and mitigate the disaster vulnerability of all their infrastructure;
- (c) Institutionalize and submit to the NEA an Emergency Response Plan to be activated immediately after the occurrence of a fortuitous event or force majeure;
- (d) Comply with the NEA's policies and procedural requirements for program participation and fund allocation;
- (e) Submit reports as may be required by the NEA; and
- (f) Undertake all other activities necessary to implement the objectives and provisions of the ECERF Act.

SECTION 12. DISASTER RISK REDUCTION AND MANAGEMENT DEPARTMENT. -In addition to its present restructuring plan, and to further enhance the implementation of the Act, the NEA shall create and establish its Disaster Risk Reduction and Management Department that has the following responsibilities:

- (a) Assess, develop and implement disaster risk reduction management plan covering preparedness, damage

assessment, rehabilitation and restoration of network and non-network facilities of ECs;

(b) Provide technical support and assistance to ECs in the preparation and implementation of disaster risk reduction and management plans as required under the preceding section;

(c) Supervise and coordinate rehabilitation and restoration activities in the event of a major disaster or after the occurrence of a fortuitous event or force majeure;

(d) Ensure that NEA and the ECs are prepared to response and manage any type of crisis whether man-made or natural;

(e) Directly monitor the strict the implementation of the objectives and provisions of the ECERF Act.

RULE IV

THE NATIONAL ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY PLAN

SECTION 13. NATIONAL ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY PLAN (NECERP) - All ECs shall submit, to the NEA and update their respective Vulnerability and Risk Assessments, Resiliency Compliance Plans, and Emergency Response Plans every year. The failure to submit said assessment and plans shall bar the ECs from accessing the ECERF. The NEA shall monitor and evaluate the use and disbursement of the ECERF based on the Vulnerability and Risk Assessment, Emergency Response Plan, and Resiliency Compliance Plan of each EC.

SECTION 14. VULNERABILITY AND RISK ASSESSMENT (VRA) - All ECs shall prepare and adopt a VRA which identifies their respective critical assets, determines the probable vulnerability of such critical assets in relation to natural and/or man-made calamities, and defines proactive measures for the protection, backup or replacement of those critical assets which have high probability of damage or destruction due to natural and/or man-made disasters or calamities.

The VRA is recognized as an effective decision support tool for determining and prioritizing sites and functions within the areas covered by the ECs and developing a responsive ERP. While it is not financially feasible to reduce risk to all potential physical and cyber targets of an electric system, vulnerability and risk assessments can help assure that the available resources and actions taken are justified and implemented. The VRA will be organized into several sections:

(1) Identifying and quantifying critical assets through the estimated number of affected consumers, loss of revenue, cost of replacing the assets and potential loss of life associated with the loss of the critical asset;

(2) Analysis (or rating) of the various identified threats that may occur based on the Relative Risk Factors (Probability of Threat, Speed of Onset, Forewarning and Duration);

(3) Evaluating critical assets identified as most important in relation to the Relative Risk Factors associated with the top rated (major) identified threats and in terms of the level of concerns or vulnerability; and

(4) Mitigating or action plans to protect, replace, or provide redundancy for the critical assets, the costs of which should be included in the EC's Capital Expenditure Plan (CAPEX).

An annual review of its VRA shall undertaken by the EC, or when major system changes are made or a new threat to the electronic system has been evaluated or discovered.

SECTION 15. EMERGENCY RESPONSE PLAN (ERP) - All ECs shall prepare and adopt an ERP which

provides details on how efficiently restore their respective systems in a safe and timely manner in the event of an isolated or system wide outage resulting from a major disaster or calamity. It defines the chain of command and delegation of authority and responsibility of EC officers and employees before, during, and after the occurrence of a disaster or calamity.

The EC shall develop the ERP based on the results of the VRA. The ERP offers the EC the opportunity to prepare a written plan detailing the most efficient means to organize and utilize its resources to restore its system in the event of either an isolated or system wide outage resulting from a major natural disaster or other causes. It is a practical and functional tool which the EC can use to organize and dispatch its initial recovery efforts to restore its system while efficiently utilizing its resources. It should be the foundation under which a utility, under possible adverse and confusing conditions, can begin to restore its system including both the physical (pole, wires, transformers, etc.) and cyber (telecommunications, GIS and SCADA) components and efficiently utilize its resources.

The following shall be included in the ERP:

- (1) List of key contact emergency telephone/cellular phone numbers (emergency agencies, accredited financial institutions, local government units, contractors, and equipment suppliers, other electric cooperatives, Task Force Kapatid Chairman, and any additional contacts that they deem sustainable for the ERP);
- (2) List of key EC officers and personnel with identified chain of command and delegation of authority and responsibility before, during, and after the occurrence of a disaster or calamity;
- (3) Procedures for recovery from loss of power to the headquarters, key offices and/or operation center facilities;
- (4) A business continuity section describing a plan to maintain or re-establish business operations including information technology and communications following an event which disrupts business systems; and
- (5) Other items identified by the EC as essential for inclusion in the plan.

The EC shall shall conduct periodic simulation of its ERP to ensure familiarity and applicability.

SECTION 16. SUBMISSION OF VRA AND ERP. - The EC shall submit to NEA hard and electronic copies of its VRA or RCP and ERP supported by a Board Resolution on or before May of every year and thereafter its amendments. These should be inputted in the EC Annual Work Plan for affected years of implementation. These assessment and plans should be in accordance with the NEA-approved templates.

On the basis of said assessment and plans submitted by the ECs, the NEA shall produce a comprehensive NECERP which shall be integrated into the National Disaster Risk Reduction and Management Plan provided for under Republic Act No. 10121, otherwise known as the "Philippine Disaster Risk Reduction and Management Act of 2010". The NECERP shall be updated and submitted not later than March 15 of very year to the JCPC.

RULE V

OTHER PROVISIONS

SECTION 17. REPORTORIAL REQUIREMENTS - The NEA shall submit to DOE and Congress a quarterly report on the implementation of the fund that contains the following information:

- a) Accomplishment Report;
- b) Status of actual unliquidated and liquidated;

c) Other information required by Commission on Audit (COA), DOE and National Disaster Risk Reduction and Management Council (NDRRMC);

The quarterly report shall be submitted to DOE on or before the twentieth (20th) day of the period covering the preceding month for transmittal to the Office of the President copy furnished the Senate of the Philippines.

SECTION 18. SEPARABILITY CLAUSE. If any provision of this IRR is deemed unconstitutional, the remaining rules not affected shall remain valid and existing.

SECTION 19. REPEALING CLAUSE. Any issuances contrary to or inconsistent with this IRR is hereby repealed, modified or amended accordingly.

SECTION 20. EFFECTIVITY. This IRR shall take effect fifteen (15) days after its publication in a newspaper of general circulation and shall remain in effect until otherwise revoked.

Issued in Quezon City, Metro Manila on 14 December 2018.

SGD. EDGARDO R. MASONGSONG
Administrator
National Electrification Administration

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.