

EXECUTIVE ORDER NO. 193

PROVIDING FOR THE REORGANIZATION OF THE OFFICE OF ENERGY AFFAIRS
AND FOR OTHER PURPOSES

WHEREAS, under Article II, Section 1, of the Provisional Constitution, as adopted in Proclamation No. 3 dated March 25, 1986, the President shall give priority to measures to achieve the mandate of the people to completely reorganize the government;

WHEREAS, Article XVIII, Section 16, of the 1987 Constitution recognizes that the reorganization of the government shall be continued even after the ratification of the Constitution;

WHEREAS, under Article XVIII, Section 6, of the 1987 Constitution, the President shall continue to exercise legislative powers until the First Congress is convened;

WHEREAS, pursuant to Executive Order No. 20, dated June 19, 1986 for the administrative supervision of all the offices, agencies and corporations attached to the Ministry of Energy, the Office of Energy Affairs in the Office of the President was created;

WHEREAS, there is a need to reorganize the Office of Energy Affairs for better administration and formulation of plans and policies for energy resource development and utilization functions;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SEC. 1. Title. This Executive Order shall otherwise be known as the Act Providing for the Reorganization of the Office of Energy Affairs.

SEC. 2. The Office of Energy Affairs. The Office of Energy Affairs is hereby reorganized structurally and functionally, in accordance with the provisions of this Executive Order. The Office of Energy Affairs shall be under the Office of the President.

SEC. 3. Mandate. The Office of Energy Affairs, hereinafter referred to as the Energy Office, shall be primarily responsible for the formulation, planning, monitoring, implementation of, and coordination of policies and programs in the field of energy. The primary function of the Energy Office shall be to ensure a continuous, adequate and economic supply of energy with the end in view of ultimately achieving self-reliance in the country's energy requirements, through intensive exploration and development of indigenous energy resources, and through the judicious conservation and efficient utilization of energy consistent with the country's accelerated economic growth objectives.

SEC. 4. Powers and Functions. The Energy Office shall have the following powers and functions:

- (a) Formulate policies, consistent with Section 3 and pertinent national guidelines, and coordinate all activities which the government may need to undertake relative to the exploration, development, marketing, distribution, storage, and efficient utilization of energy resources from fossil fuels such as petroleum, coal, natural gas and gas liquids, nuclear-fuel resources, geothermal resources, hydroelectric resources, and existing and potential forms of non-conventional energy resources;
- (b) Establish and administer a comprehensive and integrated program for the exploration, exploitation, development, extraction, importation, exportation, transport, marketing, distribution, storage, and efficient utilization of fossil, nuclear, geothermal, hydroelectric and non-conventional forms of energy resources;
- (c) Encourage and guide business activities relative to the exploration, exploitation, development, extraction, importation, exportation, transport, marketing, distribution and storage of fossil, nuclear, geothermal, hydroelectric, and non-conventional forms of energy resources;
- (d) Assess, review and provide direction to, in coordination with concerned government agencies, energy research and development programs, including identification of sources of energy and determination of their commercial feasibility for development;
- (e) Formulate such rules and regulations as may be necessary to implement the objectives and provisions of this Executive Order;
- (f) Perform other functions as established by law or as ordered by higher authority; and
- (g) Exercise all powers necessary or incidental to attain the objectives of this Executive Order.

SEC. 5. Structural Organization. The Energy Office shall consist of the following:

- (a) Office of the Executive Director;
- (b) Office of the Deputy Executive Director for Energy Operations;
- (c) Office of the Deputy Executive Director for Energy Staff Services;
- (d) Special Concerns Services; and
- (e) Regional Field Offices.

SEC. 6. Executive Director. The authority and responsibility for the exercise of the mandate of the Energy Office and for the discharge of its powers and functions shall be vested in the Executive Director who shall have supervision and control of the Energy Office and shall be appointed by the President. The Executive Director shall have the following powers and functions:

- (a) Establish policies for the effective, efficient and economical operations of the Energy Office in accordance with the programs of government;
- (b) Promulgate rules and regulations necessary to carry out Energy Office objectives, policies, plans, programs and projects;
- (c) Exercise supervision and control over all functions and activities of the Energy Office;
- (d) Delegate authority for the performance of any administrative or substantive function to the Deputy Executive Director or other officials of rank at the Energy Office; and
- (e) Perform such other functions as may be provided by law or assigned by the President.

SEC. 7. Office of the Executive Director. The Office of the Executive Director shall consist of the Executive Director, the Deputy Executive Directors for Energy Operations and Energy Staff Services, and their immediate staff.

SEC. 8. Deputy Executive Directors. The Executive Director shall be assisted by two (2) Deputy Executive Directors who shall be appointed by the President upon the recommendation of the Executive Director. The Deputy Executive Directors shall have the following functions:

- (a) Advise the Executive Director on matters relative to the promulgation of administrative orders and other issuances of the Energy Office;
- (b) Recommend the promulgation of rules and regulations, consistent with the policies of the Energy Office;
- (c) Coordinate the functions and activities of the units under his authority;
- (d) Exercise delegated authority on substantive and administrative matters to the extent granted by the Executive Director through administrative issuances; and
- (e) Perform such other functions as may be provided by law or assigned by the Executive Director.

SEC. 9. Office of the Deputy Executive Director for Energy Operations. The Office of the Deputy Executive Director for Energy Operations shall consist of the Deputy Executive Director for Energy Operations and his immediate staff as determined by him; the Director for Energy Development Services; and the Director for Energy Utilization and Promotion Services.

- (a) Energy Development Services. The Energy Development Services shall be responsible for program and project planning relative to the exploration, exploitation, development and extraction of energy resources. Energy resources shall mean any substance by itself or in combination with others, or after processing or refining or the application to of technology, emanates, generates, or causes the emanation or generation of energy, such as but not limited to petroleum or petroleum products, coal, marsh gas, methane gas, geothermal and hydroelectric sources of energy, uranium, and other similar and radioactive minerals, solar energy, tidal power, as well as non-conventional existing and potential sources. It shall conduct energy research and studies and perform consultative training and advisory services to the practitioners and institutions in the areas of regulated activity. It shall perform such other functions as may be provided by law or directed by the President.
- (b) Energy Utilization and Promotion Services. The Energy Utilization and Promotion Services shall be responsible for program and project planning for the encouragement and guidance of business activities relative to importation, exportation, storage, shipping, transporting, refinement, processing, marketing, and distribution of energy resources. It shall also exercise such powers and functions, as appropriate, of the abolished Oil Industry Commission under Republic Act No. 6173, as amended, which were transferred to the Ministry of Energy under Section 12 of P.D. No. 1206, as amended. It shall also be responsible for the promotion and utilization of non-conventional energy technologies and resources. It shall perform such other functions as may be provided by law or as directed by the President.

SEC. 10. Office of the Deputy Executive Director for Energy Staff Service. The Office of the Deputy Executive Director for Energy Staff Services shall consist of the Deputy Executive Director for Energy Staff Services and his immediate staff as determined by him; the Director for Financial and Management Services; the Director for Planning Services; and the Director for Legal Affairs and Counselling Services.

- (a) Financial and Management Services. The Financial and Management Services shall be responsible for providing the Energy Office with services relative to budgetary, financial and management improvement matters, assuring the integrity of financial operations and compliance with the requirements of the Commission on Audit and optimizing internal operating efficiency. It shall also be responsible for providing the Energy Office with services relating to personnel, information, records, supplies, collection and disbursements, security, custodial work and all other administrative matters.
- (b) Planning Services. The Planning Services shall be responsible for the providing the Energy Office with services relating to planning, programming, and project development, including the formulation of short and long term energy plans, including power development, policies and programs and their priorities as may be warranted by domestic or international developments. It shall also review and evaluate energy development programs, including those which concern the development and utilization of non-conventional forms of energy resources.

(c) Legal Affairs and Counselling Services. The Legal Affairs and Counselling Services shall be responsible for providing legal advice and services on all policy, program and operational matters of the Energy Office. It shall also provide legal counselling services in cases in which the Energy Office is a party. It shall also handle administrative cases against Energy Office personnel and submit recommendations pertaining to them.

SEC. 11. Special Concerns Services. The Special Concerns Services to be headed by a Director, shall be responsible for handling priority areas/subjects identified by the Executive Director which necessitate special and immediate attention.

The Director of the Special Concerns Services shall report to the Executive Director through the Deputy Executive Director for Energy Operations.

SEC. 12. Regional Field Offices. Regional Field Offices may be established by the Energy Office, subject to the approval of the President, in Luzon, Visayas and Mindanao as the Executive Director may determine as necessary to promote operating efficiency in the delivery of vital frontline service. They shall be responsible for the energy resource surveys, scanning and investigation in these areas, and compliance with promulgated rules, standards and regulations.

The Regional Field Offices shall have, within their respective regions, the following functions:

- (a) Implement laws, policies, programs, rules and regulations of the Energy Office;
- (b) Coordinate with other offices and agencies in the region;
- (c) Coordinate with local government units; and
- (d) Perform other functions as may be provided by law or assigned to them by the Executive Director.

The Regional Field Offices shall initially report to the Executive Director through the Deputy Executive Director for Energy Operations.

SEC. 13. Delegation of Power by the Executive Director. The Executive Director shall have the authority to delegate such substantive and administrative powers and authorities as may be necessary to the heads of various offices in the Energy Office.

SEC. 14. Coordination with Other Energy Agencies. The Energy Office shall coordinate with the Philippine National Oil Company, National Power Corporation and National Electrification Administration in the exercise of its functions, particularly as these pertain to the formulation of energy sector policies, plans and programs.

SEC. 15. Abolitions and Transfers. The following organizational changes shall be complied with:

- (a) The Bureau of Energy Development is hereby abolished and its pertinent functions together with applicable appropriations, records, equipment and such personnel as may be necessary shall be transferred to the Office of the Deputy Executive Director for Energy Operations.

- (b) The non-regulatory powers and functions of the Bureau of Energy Utilization together with applicable appropriations, records, equipment and such personnel as may be necessary shall be transferred to the Office of the Deputy Executive Director for Energy Operations.
- (c) The regulatory and adjudicatory powers and functions of the Bureau of Energy Utilization remain with the Energy Regulatory Board as mandated by Executive Order No. 172.
- (d) The National Coal Authority, as created by virtue of Presidential Decree NO. 1722, is hereby abolished. Its regulatory powers and functions together with applicable appropriations, records, equipment and such personnel as may be necessary shall be transferred to the Energy Regulatory Board. Its non-regulatory powers and functions together with applicable appropriations, records, equipment and such personnel as may be necessary shall be transferred to the appropriate units of the Energy Office. Its assets and liabilities shall be transferred to the national government, for disposal by the appropriate body.
- (e) The Watershed Management Unit presently tasked with the implementation of Presidential Decree No. 1515, as amended, and the Environmental Unit are hereby abolished. Their powers and functions are transferred to the Department of Environment and Natural Resources consistent with Section 4 of Executive Order No. 192, Provided, That in the interest of promoting operating efficiency, the Department shall enter into agreement as appropriate with concerned government energy agencies which shall allow the latter to oversee the watershed and environment aspects in their respective areas of interest such as those where geothermal operations and water-based projects are conducted.

SEC. 16. Transitory Provisions. The following provisions shall be complied with in the abolition, transfers, and mergers or consolidations prescribed under Section 15 hereof.

- (a) The transfer of functions which results in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The abolished unit's remaining appropriations and funds, if any, shall revert to the General Fund and its remaining assets, if any, shall be allocated to such appropriate units as the Executive Director shall determine or shall otherwise be disposed of in accordance with the Auditing Code and other pertinent laws, rules and regulations. Its liabilities, if any, shall likewise be treated in accordance with the Auditing Code and other pertinent laws, rules and regulations. Its personnel shall, in hold-over capacity, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits. Its personnel whose positions are not included in the Office's new position structure and staffing pattern approved and prescribed by the Executive Director under Section 17 hereof or who are not reappointed, shall be entitled to the benefits provided for in Section 17 hereof.

- (b) The transfer of functions which does not result in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The liabilities, if any, that may have been incurred in connection with the discharge of the transferred functions, shall be treated in accordance with the Auditing Code and other pertinent laws, rules and regulations. Such personnel shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits. Any such personnel, whose position is not included in the new position structure and staffing pattern of the Energy Office approved and prescribed by the Executive Director under Section 17 hereof or who has not been reappointed, shall be entitled to the benefits provided for in the same Section 17.
- (c) In case of merger or consolidation of government units, the new or surviving unit shall exercise the functions (subject to the reorganization herein prescribed and the laws, rules and regulations, pertinent to the exercise of such functions) and shall acquire the appropriations, funds records, equipment, facilities, other assets, liabilities if any, and personnel of (1) the units that compose the merged unit or (2) the absorbed unit, as the case may be. Such personnel shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits. Any such personnel, whose position is not included in the new position structure and staffing pattern of the Energy Office approved and prescribed by the Executive Director under Section 17 hereof or who is not reappointed, shall be entitled to the benefits provided in the same Section 17.

SEC. 17. New Structure and Staffing Pattern. Upon approval of this Executive Order, the officers and employees of the Energy Office shall be in a holdover capacity, until such time that the reorganization of the Office is completed.

The new position structure and staffing pattern of the Energy Office shall be approved and prescribed by the Executive Director within ninety (90) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by the Executive Director or the President, as the case may be. Those separated from the service as a result of this reorganization shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one month basic salary for every year of continuous satisfactory service, or the equivalent nearest fraction thereof favorable to them on the basis of highest salary received, but in no case shall such payment exceed the equivalent of twelve (12) months salary.

SEC. 18. Periodic Performance Evaluation. The Energy Office is hereby required to formulate and enforce a system of measuring and evaluating periodically and objectively the performance of the Energy Office and submit the same annually to the President.

SEC. 19. Notice or Consent Requirement. If any reorganization change herein authorized is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice or consent of creditors; such notice or consent requirement shall be complied with prior to the implementation of such reorganization change.

SEC. 20. Prohibition Against Change. No change in reorganization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

SEC. 21. Funding. Funds needed to carry out the provisions of this Executive Order shall be taken from the existing appropriations of the Office of Energy Affairs.

SEC. 22. Implementing Authority of Executive Director. The Executive Director shall issue such rules, regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

SEC. 23. Applicability Clause. The applicable provisions of existing laws, orders or issuances governing the administration and development of energy resources shall continue to have full force and effect, except insofar as inconsistent with this Executive Order.

SEC. 24. Repealing Clause. All laws, ordinances, orders, proclamations, rules, regulations, issuances or parts thereof, which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

SEC. 25. Separability. Any portion or provisions of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying the other provisions thereof; Provided, that such remaining portions can still stand and be given effect in their entirety to accomplish the objectives of this Executive Order.

SEC. 26. Effectivity. This Executive Order shall take effect immediately upon its approval.

APPROVED in the City of Manila, this 10th day of June, in the Year of Our Lord, Nineteen Hundred and Eighty-Seven.

Prayer B. Aquino

By the President

José P. Arroyo
JOSE P. ARROYO
Executive Secretary