### • MARCOS A. ARANAS II

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- Presently work at the Local Government Unit of Masinloc, Zambales (1996-Present) as:
  - Municipal Cooperative Dev't. Officer/
  - Designated as: Mun. Investment Promotions Officer (MIPO) /
  - Local Economic & Investment Promotions Officer (LEIPO)
- Previously worked as: USAID Program Officer for Zambales & Benguet Areas: Jaime V. Ongpin Foundation Inc. (JVOFI)
- Cluster 3 Manager: Ministry of Human Settlements, Iba, Zambales
- Education:
  - Master in Public Management
  - A.B. Major in Economics at the Trinity University of Asia (TUA)
- Civil Status: Married with four (4) children aged: 31, 29, 18 & 16

# MASINLOC'S EXPERIENCE IN HOSTING AN ENERGY PROJECT (Best practices, issues encountered and the benefits of the energy project to the community)

# 1. The Map of Zambales

Masinloc is a first class municipality located in the Northern part of the Province of Zambales in Region 3. It is approximately 110 kilometers North of Olongapo City and 250 kilometers from Manila. It has a total land area of 33,150 hectares.

# 2. The Map of Masinloc

Masinloc is composed of 13 barangays. It is situated between two (2) growth centers namely: Subic and Olongapo City in the South and Alaminos and Dagupan City in the North.

It is considered as one of the "growth areas" in the province of Zambales and was accredited by the Philippine Economic Zone Authority (PEZA) as potential site for industrial development.

Masinloc by area is approximately two-thirds mountainous which extends up to Tarlac boundary and one-third rolling hills and flat surface on the west of the mainland across the Masinloc Bays which serves as good harbor for ship docking.

- 3. Masinloc Socio-Economic Profile (Prior the Inception of the Coal-Fired Thermal Power Plant 1994):
- 2<sup>nd</sup> Class Municipality with Annual Revenue of P47,320,675.00
- Population is pegged at 34,942 (both sexes)
- There were 7,012 Elementary enrollment with 177 classrooms and 185 Teachers
- Nutritional Status of 6,606 (1-6 years old Children)
  3,954 Normal
  2,333 Undernourished
  319 Overweight
- Leading Causes of Morbidity
  Cough & Colds 3,270
  Asthma 2,188
  Diarrhea 475
  - Parasitism 433

- Water System: Seven (7) out of 13 barangays being served with 1,412 Households
- Power Supply: Twelve (12) barangays served with 4,071 houses except San Salvador Is.
- Masinloc Road Network accounted to 58 kilometers and 824 meters
- Major Economic activities composed of: Farming, mango production, Fishing, small businesses and employment at the Chromite Mining Industry.
- Chromite Refractory Mining was the only Industrial project in the municipality which was previously operated by the Benguet Corporation.

- 4. Prior the Construction of the Coal-Fired Thermal Power Plant in Masinloc
- The people of Masinloc then were not amenable to the construction of the Power Plant
- Major issues/concerns include the following: The mango industry might be primarily affected by acid rain; the 7,650 hectares Masinloc Bays will be polluted; Masinloc residents might not be a priority in terms of employment; Health of the populace might be at stake, there will be no peace and order in the municipality, the project will bring economic problems rather than benefits, and so on.

- 5. What have been done to get the approval of the Masinloqueňos for the eventual construction and operation of the Power Plant?
- Series of Consultation meetings with the LGU, residents and other stakeholders to address the various concerns
- The Power Plant was programmed to use imported Coals only
- The 7,650 Has. Masinloc Bays was proclaimed as the First "Protected Seascape" in the Philippines under the NIPAS Act to make sure that any economic activities will not damage the environment
- Inclusion of some stricter guidelines / agreements in the MOA particularly on employment generation, more economic packages, funds for health, education, environment, reforestation/watershed, infrastructure development, among others
- Conduct of series of Strategic Planning and Development
- The Amended Energy Regulation (ER No. 1-94) provided direct benefits to Masinloc for hosting the Power Plant

- Ensured the payments of compensation packages to the directly affected families/residents for their lands, mango trees, houses, etc.
- Construction of housing projects with complete amenities in a Relocation Site to house the directly affected families
- Organized and strengthened the Masinloc Multi-Partite Monitoring Committee (MMPMC) as an inter-agency group to monitor the quality of air, noise and water in the area in connection with the operation of the Power Plant
- Putting up continuous fund for the Environmental Guarantee Fund (EGF)
- Benefits from the project on the shares of Masinloc from the sale of electricity were clarified to fund the various projects on: missionary electrification, development and livelihood fund, reforestation and watershed management, health, education and environment enhancement fund
- Released of Advance Financial Assistance to finance the various socio-economic development and infrastructure projects including the other economic packages or benefits being the host community

- 6. BENEFITS OF MASINLOC in Hosting the Energy Project after 10 years operation
- After the six (6) years tax holiday, the Power Plant started to pay huge real property taxes (RPT), business taxes, permits and other mandatory fees to the Local Government Unit of Masinloc in 2016 that resulted higher revenue collections
- Continues Financial Benefits of the host communities, i.e. 50% of one centavo per kWh sales on electricity of the generating facility: Region (10%), Province (30%), Municipality (35%); Barangay (20%) and Resettlement Area (5%). The fund was used for the implementation of various development projects such as: missionary electrification, various infrastructure projects, socio-economic, health, education and environment-related projects

- Masinloc was re-classified in 2008 present as a First Class Municipality
- Annual Revenue Collections accounted to P 486,285,743.00 (2019).
- The Power Plant contributed P265,887,833.00 representing collections on RPT, Business Taxes & Licenses or 55% of the total revenue collection
- The Masinloc Coal-Fired Thermal Power Plant became the largest source of local employment and LGU revenue generations
- With the huge revenues generated from the payments of the Power Plant, the LGU was able to implement various socio-economic and infrastructure development projects such as:

- Economic Development Programs:
  - Masinloc Livelihood Development Program (MLDP)
  - Continues organization and strengthening of Civil Society Organizations as Cooperatives, Association
  - Financial (Livelihood) Assistance provided to existing cooperatives/associations as Soft Loans of 1% per annum

# ☐ Education & Training Programs:

- The Special Education Fund (SEF) of P 133
   Million (2019) is used by the LGU and the
   Local School Board in the construction of
   new school buildings, Admin Bldg., covered
   courts
- Annual Scholarship Fund of P25 Million for all the High School and College students
- Free school supplies, uniforms, bags and shoes (from Kinder to elementary)
- Free Meals to all the Kinder and Elementary Students
- Power Plant donated two (2) Buildings for Industrial Training Centers
- Industrial Training graduates were employed at the Power Plant

### **■ Integrated Health Programs:**

- Implementation of regular Health Program of the LGU-Masinloc and DOH Health Programs
- Total Medical / Health Employees at the RHU accounted to 49 (Doctors, Nurses, Dentist, Physical Therapist, Pharmacist, Mid-Wives, etc.)
- Constructed the biggest RHU Building in Zambales to house the following: Emergency room, Adult wards, pediatric ward, laboratory room, pharmacy room, x-ray room, consultation rooms, Dental Room, rehabilitation center, Lying-In/Birthing Station
- Free consultation, check-up and medicines to all Masinloqueňos
- The Power Plant donated X-Ray Machines,
  Ultrasound, ECG, 2D Echo
- Improved the Nutritional Status of the 4,477 children (1-6 years old)

- Normal 4,093
- Undernourished 283
- Overweight 101
- Top 4 Leading Causes of Morbidity (All Ages):
  - Acute Respiratory Infections -14,434
  - Skin Diseases 2,047
  - Urinary Tract Infection 1,629
  - Acute Gastro Enteritis 495

- **□** Infrastructure Development Projects:
  - Masinloc has the biggest Municipal Building in Zambales
  - Water System served from 7 barangays with 1,412 Hhs connection to 9 bgys. with 2,500 Hhs in 2019
  - A new Gravity Water System Project worth P444 Million is on-going to provide potable water to all the 11,456 Households in Masinloc
  - Power Supply connections increased from 4,071 Hhs in 1994 to 8,982 in 2018 covering all the barangays in Masinloc

- Masinloc Road Network (all types) increased from 59 Kilometers to 136 kilometers. There is a continuing construction of new Farm to Market Roads in the area
- The P60 million Landfill and Solid Waste Management Project is on-going
- A new Wet Market was already completed. A new Public market worth (P400 Million) in Masinloc will be constructed soon
- Masinloc ranked 87<sup>th</sup> nationwide out of 489 1<sup>st</sup> to 2<sup>md</sup> Class LGUs in the Cities & Municipalities Competitive Index (CMCI)

THANK YOU

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