

**PROPOSALS FOR THE EPIRA LAW (RA 9136) REVIEW**  
**Palawan Electric Corporation (PALECO)**

PROPONENT/SUMMARY OF PROPOSED AMENDMENTS	RATIONALE/DISCUSSION	SPECIFIC PROVISION(S) AFFECTED	PROPOSED REWORDINGS OF PROVISION
Lifeline Rate	The 10-year period (now going 14 years) of giving subsidy to those consumers belonging to lifeliners is more than enough as they should now pay what they actually used in fairness to the DU/ECs and its consumers.	EPIRA Chapter VIII General Provision Section 73. Lifeline Rate	Strict compliance with said provisions to finally stop its implementation
Value added tax-exemption	VAT on distribution of electricity be removed (if not to include the generation) to further lower down the cost of power.	EPIRA IRR Part V. Other Provisions Rule 27. Royalties, Returns and Tax Rates for Indigenous Energy Resources	As additional Section 75. Value Added Tax Payment Exemption under Chapter VIII General Provisions