

EXECUTIVE ORDER NO. 66

DESIGNATING THE DEPARTMENT OF ENERGY AS THE LEAD AGENCY IN DEVELOPING THE PHILIPPINE NATURAL GAS INDUSTRY

WHEREAS, the Malampaya Gas-to-Power Project, the largest and most important investment of its kind in the Philippine history, represents the beginning of the Natural Gas Industry in the Philippines;

WHEREAS, the development of the Natural Gas Industry shall signal the much awaited boost to the economy by opening up vast opportunities both for the government and the private sector;

WHEREAS, Section 2 of R.A. 7638 otherwise known as the “Department of Energy Act of 1992, “ declares, among others, that it is the policy of the State 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 the integrated and intensive exploration, production, management and development of the country’s indigenous energy resources, without sacrificing ecological concerns;

WHEREAS, Sections 4, 5(a) and 5(b) of R.A. 7638 provide that the Department of Energy (DOE) is mandated to formulate policies for the planning and implementation of a comprehensive program for the efficient supply and economical use of energy consistent with the approved national economic plan, and to provide a mechanism for the integration, rationalization and coordination of the various energy programs of the Government with a preferential bias for environment-friendly, indigenous and low-cost sources of energy;

WHEREAS, Section 5(c) of R.A. 7638 mandates the DOE to establish and administer programs for the exploration, transportation, marketing, distribution, utilization, conservation, stockpiling and storage of energy resources of all forms, whether conventional or non-conventional;

WHEREAS, Section 5(e) of R.A. 7638 authorizes the DOE to regulate private sector activities relative to energy projects provided it shall provide for an environment conducive to free and active private sector participation and investment in all energy activities;

WHEREAS, natural gas has been recognized as an environment-friendly, indigenous and low-cost source of energy among the indigenous energy resources;

WHEREAS, the critical nature of developing the Natural Gas Industry necessitates the involvement and support of various government agencies to ensure a unified and coordinated effort towards establishing a successful and robust Natural Gas Industry;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Department of Energy is hereby designated as the lead government agency in ensuring a unified and coordinated effort towards establishing a successful and robust Natural Gas Industry;

SECTION 2. Pursuant to its mandate, the Department of Energy shall recommend and/or issue appropriate policy statements, industry rules and guidelines and other issuances in order to facilitate and encourage private sector activities, investments and participation in the natural gas industry;

SECTION 3. The Department of Energy may call upon any department, agency or instrumentality of the Government for assistance to ensure the development of the Natural Gas Industry and shall have the authority to retain the services of technical consultants of proven and internationally recognized expertise in natural gas technology as may be deemed necessary;

SECTION 4. All Other Government Agencies shall assist and cooperate with the Department of Energy as may be necessary to develop and implement the programs for the natural gas industry.

SECTION 5. Funds. -- The funding requirements to carry out these tasks shall be chargeable against the savings from the appropriations of the Department for the first year of implementation of this Order. Funds for succeeding years shall be chargeable against the regular appropriations of the Department;

SECTION 6. Effectivity. -- This Order shall take effect immediately.

Done in the city of Manila this 18th day of January, in the year of Our Lord, two thousand and one.

By the President:

(Sgd.) Alberto G. Romulo
Executive Secretary