

# [ PRESIDENTIAL DECREE NO. 1370, May 02, 1978 ]

## **AMENDING SECTION 6 OF CHAPTER II OF PRESIDENTIAL DECREE NO. 269 IN ORDER TO INCREASE THE CAPITALIZATION OF THE NATIONAL ELECTRIFICATION ADMINISTRATION.**

**WHEREAS**, under the basic policies for the rationalization of the electric power industry established under Presidential Decree No. 269, the NEA was given the responsibility of setting up electric cooperatives for the generation, transmission and distribution of electric power, and to determine privately-owned public utilities which should be permitted to remain in operation in order to attain total electrification on an area coverage basis;

**WHEREAS**, the magnitude of the electrification program envisioned under said decree requires the infusion of massive governmental support and financial assistance in order to achieve the ultimate objective of total electrification;

**WHEREAS**, the financial resources of NEA, although supplemented by foreign borrowings, are still deemed insufficient to finance and accelerate the rapid implementation of the national commitment of total electrification;

**WHEREAS**, it is necessary to appropriate additional funds for the immediate realization of this objective.

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree as follows:

**SECTION 1.** Section 6 of Presidential Decree No. 269 is hereby amended to read as follows:

**"Section 6—Capital Stock—**The authorized Capital Stock of NEA is Two Billion Pesos divided into Fifty (50) Million shares with a par value of One Hundred Pesos (P100.00) each, which shares are not to be transferred, negotiated, pledged, mortgaged or otherwise given as security for the payment of any obligation. Beginning with the Fiscal Year 1978, the sum of Two Hundred Million Pesos is hereby appropriated out of the funds in the National Treasury not otherwise appropriated and the same amount annually thereafter until the balance of the unpaid subscription of the Government to the capital stock of the corporation shall have been paid in full. Such annual appropriation shall be programmed and released by the Budget Commission in accordance with the schedule of cash requirements to be submitted by the NEA; provided that this annual appropriation of Two Hundred Million Pesos and the programming and release thereof shall remain in force until the entire capital stock of the NEA is paid in full."

**SEC. 2.** This Decree shall take effect immediately.

Done in the City of Manila, this 2nd day of May, in the year of Our Lord, nineteen hundred and seventy-eight.