

[ **REPUBLIC ACT NO. 6459, June 17, 1972** ]

**AN ACT GRANTING CAUAYAN ELECTRIC CORPORATION A FRANCHISE FOR AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN THE MUNICIPALITY OF CAUAYAN, PROVINCE OF ISABELA.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Subject to the provisions of the Constitutor and to the terms and conditions established in Act Numbered Thirty-six hundred thirty-six, as amended by Commonwealth Act Numbered One hundred thirty-two, there is granted to Cauayan Electric Corporation, for a period of twenty-five years from the approval of this Act, the right, privilege, and authority to install, operate and maintain an electric light, heat and power system for the Purpose of generating and distributing electric light, heat and power for sale in the Municipality of Cauayan, Province of Isabela.

SEC. 2. In the event that the grantee shall purchase secure from the National Power Corporation electric, heat and power, the National Power Corporation is hereby authorized to negotiate and transact for the benefit and in behalf of the public consumers with reference to rates.

SEC. 3. It is expressly provided that in the event the Government should desire to maintain and operate for itself the system and enterprise herein authorized, the grantee shall surrender its franchise and will turn over to the Government all serviceable equipment therein, at fair market value, less reasonable depreciation.

SEC. 4. In consideration of the franchise and rights hereby granted, the grantee shall pay a franchise tax equal to five *per centum* of the gross earnings under this franchise, three *per centum* of which shall accrue to the National Government and two *per centum* to the municipality where the franchise is being operated.

SEC. 5. This Act shall take effect upon its approval. Enacted without executive approval, June 17, 1972.



Source: Supreme Court E-Library

This page was dynamically generated by the E-Library Content Management System (E-LibCMS)