

[REPUBLIC ACT NO. 6543, August 26, 1972]

AN ACT GRANTING JULIO BENEMERITO A FRANCHISE FOR AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN THE MUNICIPALITIES OF PAGUDPUD AND BANGUI, PROVINCE OF ILOCOS NORTE.

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

SECTION 1. Subject to the terms and conditions established in Act Numbered Thirty-six hundred and thirty-six, as amended by Commonwealth Act Numbered One hundred and thirty-two, and the provisions of the Constitution, there is granted to Julio Benemerito, for a period of twenty-five years from the approval of this Act, the right, privilege and authority to construct, operate and maintain an Electric light, heat and power plant for the purpose of generating and distributing electric light, heat and power of the Municipalities of Pagudpud and Bangui, Province of Ilocos Norte: *Provided*, That the holder of the franchise herein granted shall start the operation thereof within two years from the approval of this Act.

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

SEC. 3. In consideration of the franchise and rights hereby granted, the grantee shall pay a franchise tax equal to five *per centum* of the gross income, three *per centum* of which shall accrue to the National Government and two *per centum* to the municipality where the franchise is in operation.

SEC. 4. It is expressly provided that should the Government desire to operate for itself the system and enterprise herein authorized, the grantee shall surrender his franchise and turn over to the Government all serviceable equipment therein, at fair market value, less reasonable depreciation.

SEC. 5. This Act shall take effect upon its approval.

Enacted without the Executive approval, August 26, 1972.



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