

**[ REPUBLIC ACT NO. 4186, May 04, 1965 ]**

**AN ACT TO FURTHER AMEND REPUBLIC ACT NUMBERED TWENTY HUNDRED AND FORTY-SIX, ENTITLED "AN ACT CREATING A PUBLIC CORPORATION TO BE KNOWN AS THE COMMUNICATIONS AND ELECTRICITY DEVELOPMENT AUTHORITY, CAVITE."**

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

SECTION 1. Section two of Republic Act Numbered Twenty hundred and forty-six, as amended by amending subparagraph (j) thereof and adding thereto subparagraphs (n), (o), (p) and (q) which shall read as follows:

"(j) When essential to the proper administration of its corporate affairs or when necessary for the proper transaction of its business or for carrying out the purposes for which it was organized, to contract indebtedness, locally or from foreign governments or financing institutions, and issue bonds, subject to the approval of the Provincial Governor of Cavite and the Secretary of Finance. The government of the Republic of the Philippines hereby guarantees the payment of both the principal and interest of the indebtedness incurred by the Communications and Electricity Development Authority (CEDA), Cavite, with foreign governments or financing institutions. The bonded indebtedness of the Authority, of all classes, shall not at any time exceed fifty million pesos, and the issue thereof shall be subject to the conditions set forth in Section five of this Act;

"(n) When requested in a resolution of a municipality of an adjoining province, to extend its facilities and services beyond the zone of jurisdiction mentioned in Section one of this Act;

"(o) To acquire and own equipment and materials needed in the implementation of its electrification and communications projects without cost under Republic Act Numbered Seventeen hundred and eighty-nine;

"(p) To issue and sell shares of stock to its consumers and local governments within its zone of jurisdiction: *Provided*, That when such shares of stocks already constitute fifty *per centum* of the value of the Authority, the stockholders shall be entitled to elect the members of the board representing the consumers: *Provided, further*, That no consumer shall own a share of more than one-tenth of one *per centum* of the Authority.

"(q) To enter into agreements with other power agencies, whether privately or government owned, for the latter to supply the authority with electric power

that it may need and for the authority to channel to the other power agencies such excess electric power as it may generate from its plants."

SEC. 2. Paragraphs (a), (b), (c), (d), and (e) of Section three of the same Act are amended to read as follows:

"(a) *Chairman-General Manager*. — The Chairman shall be appointed by the Provincial Governor of Cavite, with the consent of the Public Service Commission, and may be removed for cause by the Public Service Commission. He shall, as *ex officio* General Manager of the Authority, represent the Authority in all its business matters; shall submit to the Board an annual report and such partial reports as may be required by it or he may see fit to render from time to time, regarding the condition of the business, or of any part of the business of the Communications and Electricity Development Authority, Cavite, and shall perform such other executive duties as may be prescribed by law or may be required of him by resolution of the Board.

" (a-1) *Assistant General Managers*. — There shall be two Assistant General Managers. One of them, who shall at least be an electrical engineer, shall be in-charge of operation and shall be appointed by the Provincial Governor of Cavite with the consent of the National Power Board and may be removed for cause by the said National Power Board. The other, who shall at least be a lawyer-accountant; shall be in-charge of business management and administration and shall be appointed by the Provincial Governor of Cavite with the consent of the Public Service Commission and may be removed for cause by the Public Service Commission. They shall both be entitled to sit and take part in the meetings of the Board; but may not vote: *Provided, however*, That the Board shall designate which of the two Assistant General Managers shall act as' Chairman-General Manager in case of the temporary disability or absence of the regular incumbent, and in such case, the Assistant General Manager so chosen shall have the right to vote in the absence or disability of the Chairman-General Manager.

" (b) *Board Member-Engineer*. — One member of the Board shall at least be an electrical engineer, who shall be appointed by the Provincial Governor of Cavite with the consent of the National Power Board, and may be removed for cause by the said National Power Board. He shall perform such other duties as may be required of him by the Board.

" (c) *Board Member-Treasurer*. — One member of the Board shall possess knowledge of business management and finance, who shall be appointed by the Provincial Governor of Cavite, with the consent of the Board of Directors of the Development Bank of the Philippines, and may be removed for cause by the said Board of Directors. He shall, as *ex-officio* treasurer of the Authority, perform such duties as may be required of him by the Board or by the General Manager.

" (d) The two other members of the Board, who shall represent the consumers, shall be appointed by the Provincial Governor of Cavite, upon election by the city and municipal mayors of Cavite in meeting assembled, and shall hold office for five years unless otherwise removed for cause by the Provincial Governor of Cavite: *Provided*, That at any time fifty percent of the capital of