

[REPUBLIC ACT NO. 3806, June 22, 1963]

AN ACT GRANTING A FRANCHISE FOR AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM TO THE HIDALGO ENTERPRISES, INC., IN THE MUNICIPALITIES OF DAET, TALISAY, BASUD, PARACALE, JOSE PANGANIBAN AND CAPALONGA, ALL IN THE PROVINCE OF CAMARINES NORTE.

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

SECTION 1. Subject to the provisions of the Constitution 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 the Hidalgo Enterprises, Inc., a corporation duly organized and existing under the laws of the Republic of the Philippines, for a period of fifty years from the date of approval of this Act, the right, privilege and authority to construct, maintain and operate an electric light, heat and power system for the purpose of generating and or distributing electric light, heat and/or power for Sale within the Municipalities of Daet, Talisay, Basud, Paracale, Jose Panganiban and Capalonga, all in the Province of Camarines Norte. The grantee shall further have the right and privilege to install, lay and maintain all streets, public thoroughfares, bridges and public Places within said limits, poles, wires, transformers, capacitors, overhead protective devices, and pole line, hardware, and other equipment necessary for the safe distribution of electric current to the public.

SEC. 2. In the event that the National Power Corporation shall have established its lines in the areas adjacent to or over the territory covered by this franchise, the National Power Corporation may make available its power and heat only after negotiation with and through the Hidalgo Enterprises, Inc., or with the authority and consent of the grantee.

SEC. 3. The rates for the sale of electric light, heat and/or power shall be subject to the approval of the Public Service Commission.

SEC. 4. In consideration of the franchise and rights hereby granted, the grantee shall pay into the Treasury of the Philippines a franchise tax equal to two *per centum* of the gross earnings for electric current sold under this franchise: *Provided*, That the said franchise tax of two *per centum* of the gross earnings shall be in lieu of all taxes and assessments of whatever authority upon privileges, earnings, income, franchise, and poles, wires, transformers, and insulators of the grantee, from which taxes, fees and assessments the grantee is hereby expressly exempted.

SEC. 5. Upon approval of this Act, the municipal franchises granted to the Hidalgo Enterprises, inc., for the Municipalities of Paracale, Jose Panganiban (formerly