

[OP EXECUTIVE ORDER NO. 856, January 19, 2010]

EXPANDING THE COVERAGE OF EXECUTIVE ORDER NO. 666, SERIES OF 2007, IN SUPPORT OF THE POWER REQUIREMENTS OF CLARK FREEPORT ZONE

WHEREAS, Executive Order (EO) No. 666 dated September 25, 2007 directed all heads of departments, bureaus, offices, agencies and instrumentalities of government to support the power infrastructure requirements of Clark Freeport Zone (CFZ) and support the investment of Texas Instruments (TI) in Clark;

WHEREAS, the said EO No. 666 detailed the government's thrust to provide reliable power transmission infrastructure for Clark in three phases, with the first and second phase already completed by the National Transmission Corporation (TRANSCO, now known as the National Grid Corporation of the Philippines [NGCP]);

WHEREAS, the grant of discounted generation and transmission rate to TI because of the magnitude of investments and employment of TI in CFZ was identified in EO No.666;

WHEREAS, there is a need to expedite the implementation of the Phase 3 in view of anticipated investments in CFZ, and to ultimately solve the power reliability concerns of locators in Clark;

WHEREAS, EO No. 796 dated May 21, 2009 established the Industry Competitiveness Fund (ICF) to support power-intensive industries with substantial investments to make the country more attractive to foreign direct investments;

WHEREAS, EO No. 796 allowed the granting of special power rates through the ICF to foreign investors infusing substantial investment to the country in consideration of the employment, exports, and economic activities these large industries will contribute;

WHEREAS, the National Economic Development Authority (NEDA) Board, in its meeting last December 8, 2009, has approved the funding for the implementation of Phase 3 of the 230 KV Clark Power Transmission Project;

WHEREAS, a multinational semiconductor company, with investment and development plan higher than that of TI, is considering to locate its overseas plant in Clark provided it be given the same power rates granted to TI and assurance of reliable and quality power supply, which has been identified as Phase 3 power infrastructure in EO No. 666;

WHEREAS, the entry of semiconductor companies in Clark will infuse capitalization, generate employment opportunities, boost exports, and enhance the country's