



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS

First Regular Session

House Resolution No. 414



Introduced by

APEC Party-List Representative Sergio C. Dagooc,
PHILRECA Party-List Representative Presley C. De Jesus,
Ako Padayon Pilipino Party-List Representative Adriano A. Ebcas,
RECOBODA Party-List Representative Godofredo N. Guya

**A RESOLUTION URGING THE COMMITTEE ON ENERGY TO,
IN AID OF LEGISLATION, INVESTIGATE THE NATIONAL GRID
CORPORATION OF THE PHILIPPINES ON THE ISSUE OF REPORTED
VIOLATIONS OF THE PHILIPPINE GRID CODE AND NON-
COMPLIANCE TO PROVISIONS OF REPUBLIC ACT NO. 9511**

WHEREAS, Republic Act. No. 9136 also known as the “*Electric Power Industry Reform Act of 2001*” or EPIRA mandated the creation of the Energy Regulatory Commission;

WHEREAS, Section 43(b) of the said Act provides that the ERC shall promulgate and enforce a National Grid Code which shall include Performance Standards for the National Transmission Corporation O&M Concessionaire;

WHEREAS, following a public bidding conducted in December 2007, the TransCo concession was awarded to the **NATIONAL GRID CORPORATION OF THE PHILIPPINES** which eventually secured a congressional franchise to operate the transmission network through Republic Act No. 9511;

WHEREAS, in 15 January 2009, TransCo turned over the management and operation of its nationwide transmission system to NGCP;

WHEREAS, EPIRA also mandates the ERC to enforce compliance to the Philippine Grid Code and to impose fines and penalties for any violation of their provisions;

WHEREAS, the Philippine Grid Code provides a mechanism through the Grid Management Committee which relieved the ERC from the tedious task of monitoring the day-to-day operation of the Grid;

WHEREAS, Chapter 3 of the PGC specifies the performance standard for the transmission of electricity that applies to the System Operator to ensure power quality and the efficiency and reliability of the Grid;

WHEREAS, the OATS Rules outline the responsibilities of the Transmission Provider and the functions of the System Operator as specified in the Grid Code and the Wholesale Electricity Spot Market Rules;

WHEREAS, there have reports of countless instances where the Voltage magnitudes in the grid were outside their allowable range of variation and Voltage Fluctuations cause Flicker that is outside the allowable Flicker Severity limits as provided for in the PGC that remain unpenalized;

WHEREAS, even if penalized, there is no penalty provision in the existing Grid Code that impose heavier penalties like the payment of compensation to the aggrieved party in terms of revenue loss and damages;

WHEREAS, under Republic Act 9511 or NGCP's charter, the grid operator was given a period of 10 years from Jan. 15, 2009 to comply with its statutory requirement to offer at least 20 percent of its outstanding capital stock to the public;

WHEREAS, NGCP filed a petition seeking to defer the public listing of its shares as mandated by Section 8 of its charter;

WHEREAS, NGCP is using the nation's transmission assets, which makes the initial public offering a matter of public interest;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the House of Representatives, **TO URGE THE COMMITTEE ON ENERGY TO, IN AID OF LEGISLATION, INVESTIGATE THE NATIONAL GRID CORPORATION OF THE PHILIPPINES (NGCP) ON THE ISSUE OF REPORTED VIOLATIONS OF THE PHILIPPINE GRID CODE AND NON-COMPLIANCE PROVISIONS OF REPUBLIC ACT NO. 9511**

Adopted,


REP. SERGIO C. DAGOOC
APEC Partylist


REP. PRESLEY C. DE JESUS
PHILRECA Partylist


REP. ADRIANO A. EBCAS
Ako Padayon Pilipino Partylist


REP. GODOFREDO N. GUYA
RECOBODA Partylist