Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session

HOUSE RESOLUTION NO. 1135

Introduced by Representative JAKE VINCENT S. VILLA

RESOLUTION
DIRECTING THE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY IN AID OF LEGISLATION TO FILL-IN THE GAPS OF EPIRA LAW THAT ALLOW ELECTRIC COOPERATIVES CLASSIFIED AS HIGH PERFORMING TO CONTINUE ITS OPERATIONS DESPITE RAMPANT POWER INTERRUPTIONS AND OTHER PERFORMANCE RELATED ISSUES AS WELL AS URGE THE NATIONAL ELECTRIFICATION ADMINISTRATION, TO ASSIST THE PROVINCE OF SIQUIJOR ELECTRIC COOPERATIVE, INC. TO IMPROVE ITS PERFORMANCE AND ADDRESS THE DEMAND OF POWER IN THE PROVINCE OF SIQUIJOR.

WHEREAS, the National Electrification Administration (“NEA”) has the mandate of total rural electrification and additional mandates to prepare electric cooperatives in operating and competing under the deregulated electric market, specifically in an environment of open access and retail wheeling, to strengthen the technical capability and financial viability of rural electric cooperatives and to review and upgrade regulatory policies with a view to enhancing the viability of rural electric cooperatives as electric utilities;

WHEREAS, the Province of Siquistor Electric Cooperative, Inc. (“PROSIELCO”) is the lone Electric Cooperative (“EC”) and distribution utility in the Province of Siquistor;

WHEREAS, in 2015 Siquistor Island Power Corporation (“SIPCOR”) replaced National Power Corporation in providing power supply to PROSIELCO. SIPCOR’s Power Supply Agreement (“PSA”) with PROSIELCO has a period of 20 years with a total installed capacity of 6.464 megawatts (“MW”);

WHEREAS, in 2016 demand for power supply in the Province of Siquistor increased which prompted PROSIELCO and SIPCOR to enter into a new PSA for additional capacity of 6 MW;

WHEREAS, in 2019 this representation exerted efforts to address the power needs of the province. In particular, the Department of Energy (“DOE”) through close coordination with this representation and the Provincial Government of Siquistor caused
the performance audit of PROSIELCO. Accordingly, the performance audit conducted by the DOE indicated that member-consumer owner experienced an average of 25 minutes of interruption or brownouts daily in a year;

WHEREAS, as of date, the Province of Siquijor still experiences downtimes and power interruptions regularly¹;

WHEREAS, it is important to note that upon checking with NEA, PROSIELCO is classified as a Large Electric Cooperative and has a performance rating of AAA. This means that PROSIELCO garnered the highest possible rating in performance evaluation being conducted by NEA;

WHEREAS, NEA has issued Memorandum No. 2019-045 which provides for the Amended Enhanced Policy/Guidelines on Electric Cooperatives Overall Performance Assessment. With this, PROSIELCO will again be assessed based on the new policy and or guidelines;

WHEREAS, there seems to be a disconnect with the high-performance rating of PROSIELCO and ensuring a sustainable, stable, secure, sufficient and accessible electrification and power for the province. Worst if this situation exists with other electric cooperatives franchise areas particularly high-performance rated ECs and existence of brownouts and or interruptions still being experienced in their respective franchise areas;

WHEREAS, energy or simply electricity is needed to improve production and ensure development both beneficial to the economy. Failure to address the seemingly gap, will lead to decrease production and hindrance to development. Production and development are needed to improve the lives of the people in the Province of Siquijor; and

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved by the House of Representatives of the Philippines, directing the Committee On Energy to conduct an inquiry in aid of legislation to fill-in the gaps of EPIRA Law that allow Electric Cooperatives classified as high performing to continue its operations despite rampant power interruptions and other performance related issues as well as urge the National Electrification Administration, to assist the Province Of Siquijor Electric Cooperative, Inc. to improve its performance and address the demand of power in the Province Of Siquijor.

Adopted

JAKE VINCENT S. VILLA