



SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

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SENATE

RECEIVED BY:

P.S. Res. No. 437

Introduced by SENATOR SONNY ANGARA

RESOLUTION

**DIRECTING THE SENATE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON THE STATUS OF POWER SUPPLY IN THE
COUNTRY, WITH THE END IN VIEW OF ENSURING THE QUALITY, RELIABILITY,
SECURITY AND AFFORDABILITY OF THE SUPPLY OF ELECTRICITY TO
ADDRESS RISING POWER DEMAND IN THE LONG TERM**

WHEREAS, Section 2 of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 or EPIRA, states that it is declared policy of the State "to ensure and accelerate the total electrification of the country" and "to ensure the quality, reliability, security and affordability of the supply of electric power";

WHEREAS, based on a recent news report, Energy Secretary Alfonso Cusi said the country's demand for electricity would reach 30,000 megawatts (MW) by 2030, or nearly 70% more than the current dependable capacity which stands at approximately 17,000 MW;

WHEREAS, Secretary Cusi added that around 1,100 MW more will be needed per year to meet the country's rising power demand;

WHEREAS, setting up power plants in the Philippines takes an average of three to five years due to the tedious bureaucracy in securing permits and approval to build power plants;

WHEREAS, in a separate news report, Manila Electric Company (Merlaco) Chairman Manuel V. Pangilinan said the Philippines needs to invest \$30-billion worth of power projects in the next 15 years to meet growing demand amid economic expansion;

WHEREAS, president and chief executive officer of AC Energy Holdings Inc. John Eric Francia was quoted in a news report saying that the decision to build new power plants is never easy for power developers "because of the uncertainty facing companies that have pending applications for a power supply agreement with the Energy Regulatory Commission (ERC)";

WHEREAS, Supreme Court Senior Associate Justice Antonio Carpio said the country should begin looking for a substitute to the Malampaya gas field, which supplies 40% of Luzon's energy, as it will run out of gas in 10 years;

WHEREAS, the Department of Energy (DOE) aims to add at least 20,000 MW of renewable energy capacities by 2040, and has recently launched the Renewable Readiness Assessment that would provide a comprehensive and detailed analyses of the country's renewable energy profile to recommend measures to address the pertinent issues of the industry;

WHEREAS, the Duterte administration has abandoned the past administration's fuel mix policy that set a quota for each energy technology—30% from coal, 30% from renewable energy, 30% from natural gas, and the remaining 10% from oil-based power plants;

WHEREAS, the DOE said power developers should be the ones to decide the kind of power plants they want to build based on the country's power system requirements—70% baseload, 20% mid-merit and 10% peaking power—in order to encourage competition that would lead to lowering of electricity costs for consumers;

WHEREAS, looking into the power supply situation of the country is a matter of significant concern and is never a futile exercise so as to institute the needed policy reforms to fast-track the process of setting up new power plants;

NOW, THEREFORE, BE IT RESOLVED, that the Senate of the Philippines direct the Senate Committee on Energy to conduct an inquiry, in aid of legislation, on the status of power supply in the country, with the end in view of ensuring the quality, reliability, security and affordability of the supply of electricity to address rising power demand in the long term.

Adopted.



SONNY ANGARA