



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Nineteenth Congress
First Regular Session

HOUSE RESOLUTION NO. 708



Introduced by **HON. MUJIV S. HATAMAN** of the Lone District of Basilan

A RESOLUTION CALLING ON THE APPROPRIATE COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO REVIEW, IN AID OF LEGISLATION, THE ELECTRIC POWER INDUSTRY REFORM ACT OF 2001, SPECIFICALLY ITS PROVISIONS RELATING TO THE OPERATIONS OF NATIONAL POWER CORPORATION SMALL POWER UTILITY GROUP (SPUG) WITH THE END VIEW OF PREVENTING THE RECURRING POWER OUTAGES IN ISOLATED SMALL ISLAND GRIDS

WHEREAS, the National Power Corporation Small Power Utility Group (NPC-SPUG) that supplies electric power to island-provinces in the country recently announced that starting Feb. 1, it will implement a reduction in electricity service brought about by a shortage in fuel supply and a delay in the subsidy payment of Universal Cost for Missionary Electrification (UCME);

WHEREAS, this announcement comes just a few months after the crippling power crisis last year in some SPUG areas that included the province of Basilan and some parts of Mindanao and Luzon due to the failure of NPC to settle its obligations to its fuel provider, Petron;

WHEREAS, the power crisis involved a threat of a total power blackout in Basilan and other parts of Mindanao in August last year unless the NPC settles its obligations amounting to P1.2 billion to Petron;

WHEREAS, NPC's failure to settle its obligations was due, in part, to the skyrocketing fuel prices in 2022 brought about by the war between Russia and Ukraine that saw diesel prices soar to as much as P80 per liter;

WHEREAS, due to the interventions made by the Department of Energy and the Department of Budget Management, the total power blackout crisis was averted, but the power outages persisted;

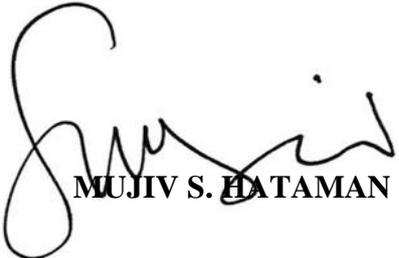
WHEREAS, power outages in small island-provinces such as Basilan continue to become more and more frequent, heavily affecting not only the day-to-day lives of ordinary citizens, but the operations of the local government in providing basic services to the people, as well as the operations of small businesses and livelihood centers;

WHEREAS, the NPC seems to be struggling year in and year out to meet its financial obligations that results to its failure to provide steady and reliable electric power to the people, especially those connected to the isolated small island grids;

WHEREAS, with NPC-SPUG's recent announcement of a reduction of electric power service to its areas due to a shortage of fuel supply and a delay in subsidy payment of UCME, there is a need to review the NPC-SPUG's operations under the Electric Power Industry Reform Act of 2001 to come up with a viable solution to its perennial predicament and avoid burdening the people with a problem not of their own doing;

NOW, THEREFORE, with these premises considered, **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, to call on the appropriate committee of the House of Representatives to review, in aid of legislation, the Electric Power Industry Reform Act of 2001, specifically its provisions relating to the operations of National Power Corporation Small Power Utility Group (SPUG), with the end view of preventing the recurring power outages in isolated small island grids.

Adopted,



MUJIV S. HATAMAN