



# Committee Daily Bulletin

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## COMMITTEE MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	HR 1766	Rep. Acosta	Inquiry into the erratic operations of Palawan Electric Cooperative, Inc. (PALECO)	<p>The Committee, chaired by Rep. Juan Miguel Macapagal Arroyo (2<sup>nd</sup> District, Pampanga), will continue its inquiry relative to House Resolution 1766.</p> <p>The Chair said the purpose of the inquiry is to identify the cause of recurring power outages in Palawan and come up with short and long-term solutions that would end this problem.</p> <p>The author of the resolution, Rep. Gil “Kabarangay Jr.” Acosta (3<sup>rd</sup> District, Palawan), underscored the need to address the perennial power supply problem in Palawan, which he refers to as the “brownout capital of the Philippines.” He said the frequent power interruptions have affected the economy of the province, disrupting work and other productive routines of consumers and local businesses. He cited the stern warning of President Rodrigo Roa Duterte to PALECO in 2018 that the latter’s franchise will be expropriated if the power shortages in the province will not be addressed.</p> <p>PALECO is the electric cooperative (EC) handling the electric distribution in the province under a franchise granted by the National Electrification Administration (NEA).</p> <p>Based on the resolution and from information gathered from the DOE and NEA websites, the NEA has intervened in the management and operations of PALECO starting December 2018 to help resolve the power supply woes that have continued to plague the province of Palawan. It hired a temporary general manager and formed <i>Task Force Kapatid PALECO (TF PALECO)</i>, with the participation of ten ECs, to help in the rehabilitation of PALECO. In February 2019, the Department of Energy (DOE) created a special task force, the Inter-Agency Coordinating Committee and TF PALECO (IACC-TF PALECO) to address the power interruptions in Puerto Princesa and other parts of Palawan and gave PALECO until the end of 2019 to complete its rehabilitation. However, despite the interventions of NEA and DOE, PALECO still failed to deliver sustainable power and quality service to its customers.</p> <p>Palawan Governor Jose Alvarez expressed his support for the conduct of an inquiry into the operations of PALECO. However, he clarified that he is not proposing the dissolution of PALECO, but for PALECO to partner with a</p>

Continuation... Energy				<p>private investor for the infusion of additional funds to improve its facilities.</p> <p>Also expressing their support for the conduct of an inquiry were the DOE, NEA, Cooperative Development Authority, Energy Regulatory Commission (ERC), National Power Corporation (NPC), Philippine Rural Electric Cooperatives Association, and National Center of Electric Cooperative Consumers, Inc.</p> <p>PALECO Chairman of the Board Jeffrey Tan-Endriga explained that the power outages in Palawan cannot be blamed on PALECO alone as there are many factors in power generation, transmission, and distribution that also cause power outages.</p> <p>Likewise, PALECO Corporate Planning Department Manager Ferdinand Pontillas presented the following measures that the cooperative is undertaking to help reduce power outages in Palawan: 1) continuous clearing operations to remove trees or vegetation touching or near the power distribution lines; 2) procurement of insulated wires to replace six kilometers of distribution lines with bare wires in highly vegetated areas; 3) implementation of various capital projects aimed at upgrading physical assets such as plants, buildings, and equipment; 4) relocation of power poles affected by the road widening project of the Department of Public Works and Highways; 5) close coordination with the National Transmission Corporation on the engagement of a third party system operator and technical assistance provider in implementing the Palawan Island Power Development Plan; and 6) adoption of the required Competitive Selection Process in procuring power from power generators.</p> <p>ERC Regulatory Operations Service OIC-Director Legario Galang Jr. confirmed that PALECO generates only 44.72% of the power supply in Palawan while 55.28% comes from other power producers such as the NPC, DMCI Power Corporation, and Delta P, Inc. Further, Galang said the unplanned power interruptions in Palawan are mainly due to problems concerning equipment, vegetation around the distribution lines, and man-made accidents. There might be other factors, he said, but these still need to be determined and looked into.</p> <p>On the part of the DOE, Undersecretary Emmanuel Juaneza assured the body that the DOE, in coordination with the NEA, has been implementing appropriate courses of action to mitigate the power outages in Palawan.</p> <p>NPC Vice President for Corporate Affairs Group Rene Barruela added that the NPC is in the process of upgrading its transmission lines and establishing additional power facilities in far-flung areas. He also apprised the Committee that pursuant to the government's directive to</p>
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Continuation... Energy				<p>connect off-grid areas to the main power grid, the National Grid Corporation of the Philippines (NGCP) has already filed an application with the ERC to pursue Stage 1 of the Palawan-Mindoro Interconnection Project (PMIP). He said that this project will connect the country to the ASEAN Grid from Sabah and link mainland Luzon via Palawan and Mindoro Islands.</p> <p>The PMIP Stage 1, with an estimated cost of P6.4 billion, will serve as the preparatory stage for the interconnection of Palawan to the main grid. It aims to conduct further studies on the interconnection of Palawan to Mindoro through submarine cable and establish a transmission backbone designed to serve long-term power needs in the area (<i>Source: NGCP website</i>).</p> <p>Meanwhile, NEA Deputy Administrator for Technical Services Artis Nikki <i>Tortola</i> reported that the NEA has assisted the DOE in the conduct of the performance audit of PALECO and has also provided the latter with maintenance equipment and vehicles for vegetation clearing.</p> <p>Committee Vice Chair Rep. Presley De Jesus (Party-List, PHILRECA) agreed that PALECO should not be blamed entirely for the power outages in Palawan saying that the problem lies in the entire power system. He said the proposed privatization of PALECO is also not the solution. He then expressed his commitment to help improve PALECO's service.</p> <p>Rep. Adriano Ebcas (Party-List, AKO PADAYON PILIPINO) asked the ERC if it will recommend to PALECO to avail itself of ancillary services to further support the latter's operations. Galang answered in the affirmative, saying further that ancillary services will help address imbalances between power supply and demand and help the system of PALECO recover from unfortunate incidents such as accidents and malfunctions.</p> <p>However, Rep. Sergio Dagooc (Party-List, APEC) asked to study this further since the cost of procuring ancillary services will just be passed on to the consumers.</p> <p>On the query of Rep. Dagooc as to how PALECO intends to address the frequent brownouts in Palawan, Pontillas suggested the use of the Supervisory Control and Data Acquisition (SCADA) system to monitor the causes of power outages. SCADA is an industrial computer system that monitors substations, transformers, and other electrical assets, according to Pontillas.</p> <p>Catanduanes Rep. Hector Sanchez mentioned that Palawan should also consider investing in renewable energy sources to augment the power supply in the province. He also recommended the creation of a special team</p>
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Continuation... Energy				<p>that will focus on the inspection and maintenance of power lines in Palawan as another solution to minimize or prevent power outages in the province.</p> <p>Replying to the query of Rep. Acosta on what percentage of the unplanned brownouts can be attributed to the NPC, NPC Small Power Utilities Group Vice President Larry Sabellina said that these are just minor incidents compared to those caused by PALECO's operations. Sabellina explained that for the year 2020, only 20% of the power interruptions were caused by NPC facilities and for this year, as of May 2021, it was just 3.24%. He maintained that the NPC has been diligent with the maintenance of its facilities.</p> <p>The Committee approved the motion of Rep. Dagooc to direct all parties involved to meet and harmonize their plans and programs to resolve the power outage problem in Palawan.</p> <p>PALECO was requested to submit its financial statement covering the last five years of its operations.</p>
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TECHNICAL WORKING GROUP MEETINGS ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
<b>Civil Service and Professional Regulation</b> (Technical Working Group)	HB 2621	Rep. Mendoza	Strengthening the constitutional rights of government employees to self-organization, collective negotiation and peaceful concerted activities, and use of voluntary modes of dispute settlement	<p>The technical working group (TWG), chaired by Rep. John Marvin "Yul Servo" Nieto (3<sup>rd</sup> District, Manila), terminated its deliberations on House Bill 2621.</p> <p>The Secretariat was directed to prepare a substitute bill incorporating all the comments and suggestions agreed upon during the meeting. After which, the substitute bill will be presented to the mother Committee for its consideration.</p> <p>Rep. Raymond Democrito Mendoza (Party-List, TUCP), author of HB 2621, said that his bill seeks to institutionalize the guidelines for the exercise of the government employees' right to organize established under Executive Order (EO) 180 series of 1987.</p> <p>Rep. Mendoza likewise said that the bill aims to upgrade existing laws on freedom of association and collective bargaining in the public sector, and make them consistent with the International Labor Organization (ILO) Convention No. 151, or the Labor Relations (Public Service) Convention 1978, to which the country is a signatory. The ILO Convention guarantees the rights of public employees to organize and the procedures for determining the terms and conditions of their employment.</p> <p>In today's meeting, the TWG agreed that the Civil Service Commissions' Personnel</p>

<p>Continuation... Civil Service and Professional Regulation (Technical Working Group)</p>				<p>Relations Office and the Public Sector Labor Management Council (PSLMC), created under EO 180, shall be abolished to reconstitute a Public Sector Labor Relations Board (PSLRB).</p> <p>The PSLRB, which will be attached to the Department of Labor and Employment, shall have the original and exclusive jurisdiction to hear and decide on the following cases: unfair labor practice; disputes arising in the course of the conduct of collective negotiation; disputes on issues resulting from the interpretation or implementation of the grievance machinery; determination of the presence or absence of strike; disputes on the issues from the interpretation or implementation of the provision of collective negotiation agreement; violation of the fundamental rights of workers; and grave abuse of management prerogatives.</p> <p>The TWG also agreed that all workers employed in the public sector including those in the government- owned and controlled corporations shall be covered by the proposed law, regardless of the nature of their appointment.</p> <p>In addition, a penalty provision will be included in the bill to provide sanctions for violations of the proposed law.</p> <p>All the resource persons were requested to submit their official position paper on the bill.</p>
<p><b>Creative Industry and Performing Arts jt. w/ Public Information</b> (Technical Working Group)</p>	<p>Draft Substitute Bill to HBs 1745, 2320, 4332, 8171 &amp; 8924</p>	<p>Reps. Villafuerte, Torres-Gomez, Nieto, Tambunting, and Bagatsing</p>	<p>Creating the Philippine Audiovisual Archive (PAVA)</p>	<p>The technical working group (TWG), chaired by Rep. Cristal Bagatsing (5<sup>th</sup> District, Manila), will deliberate further on the draft substitute bill in its next meeting.</p> <p>To facilitate the discussion on the proposed law, the Secretariat prepared a matrix showing and comparing the latest draft of the substitute bill with a draft proposal submitted by members of the academe as well as other comments and suggestions raised during the previous TWG meeting. The TWG then discussed the draft substitute bill section by section using the matrix.</p> <p>Directors Guild of the Philippines Inc. (DGPI) Board Member Carlito Siguion-Reyna raised concerns on one of the policies in Section 2 (Declaration of Policies) of the bill, which states that all audiovisual works are protected cultural properties.</p> <p>The policy in question was Section 2(c), which provides that it is the policy of the State “to establish all audiovisual works made or produced by Filipinos, regardless of content or merit, as protected cultural properties that form part of the cultural treasure of the nation, pursuant to the mandate of the State under Article XIV Section 16 of the Constitution to protect all the country’s artistic and historic wealth.”</p>

<p>Continuation... Creative Industry and Performing Arts jt. w/ Public Information (Technical Working Group)</p>				<p>Siguion-Reyna opined that such a policy may run contrary to the intellectual property rights of the owner and may limit the owner from using the audiovisual work to gain profit from it.</p> <p>National Commission for Culture and the Arts (NCCA) Cultural Heritage Section Head Lawrence Charles Salazar pointed out that classifying audiovisual works as cultural properties will subject these works to a regulatory regime that government agencies may impose. He explained that audiovisual work is a type of movable archival property that may be considered as cultural property by any of the six cultural agencies pursuant to RA 10066 (National Cultural Heritage Act of 2009), namely: Cultural Center of the Philippines, National Museum, Komisyon ng Wikang Filipino, National Historical Commission, National Library, and the National Archives of the Philippines.</p> <p>After hearing the comments of the resource persons on this matter, the TWG agreed to delete Section 2 (c) of the bill.</p> <p>Another provision (Section 7) in the draft substitute bill being objected to by both Siguion-Reyna and DGPI President Paolo Villaluna is the mandatory submission to PAVA of audiovisual works within three months from the date of release. They suggested that it should instead be made voluntary as such provision will put the filmmakers and producers at a disadvantage. They explained that there is a possibility that a copy of the audiovisual work may fall into the hands of unscrupulous individuals and may lead to piracy, thus affecting the business and income of filmmakers and producers.</p> <p>The representative of the Philippine Motion Picture Producers Association (PMPPA), Atty. Cat Maniego, suggested instead that the submission of audiovisual works be made voluntary within a period of 10 years from the date of release and after such period, submission will be made mandatory. Maniego explained that the 10-year period will be enough to remove the worries and doubts of audiovisual work owners from possible piracy or theft of intellectual property.</p> <p>University of California, Irvine Professor Bliss Lim said that she understands the predicament of the filmmakers and producers. However, she stated that the submission of works to the PAVA is strictly for archiving purposes only. Lim cited the stringent measures being undertaken in many archival institutions in the country and in the world to secure the archived works.</p> <p>Film Development Council of the Philippines (FDCP) Chairperson and Chief Executive Officer Mary Liza Diño agreed with Lim's explanation.</p>
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<p>Continuation... Creative Industry and Performing Arts jt. w/ Public Information (Technical Working Group)</p>				<p>Billboard Music Philippines Chief Marketing Officer Twinky Lagdameo said that she is amenable to the mandatory submission of works produced by the music industry.</p> <p>Meanwhile, Diño raised her concern about the proposed transfer of the FDCP's Philippine Film Archive (PFA) to PAVA, including its personnel, properties, assets and liabilities, functions, and responsibilities. She stressed that the transfer is not necessary because the PFA, under the stewardship of FDCP, is already doing the function of preserving the country's cinematographic works.</p> <p>Rep. De Venecia, however, said that it is the intention of the Committee to create an independent national audiovisual archive for all audiovisual works.</p> <p>Other agreements reached during the meeting were the following:</p> <ul style="list-style-type: none"> <li>• The term "audiovisual works" shall include all objects, materials, works, and intangibles relating to audiovisual recordings and documents, whether seen from a technical, industrial, cultural, historical, or other viewpoint, including recorded sound, radio, music, film, television, video games, digital, new media";</li> <li>• The term "paratextual materials" shall refer to source works of audiovisual works in print form including scripts, stills, posters, album artwork, advertising materials, comics, magazines, newspapers, periodicals, manuscripts, scores, records, technical equipment and production materials, or other productions or sounds, whether or not primarily intended for distribution to the public, both published and unpublished, in an audiovisual medium and format now known or yet to be invented.</li> <li>• The definition of terms "cinematographic works" and "film works" shall be deleted in the proposed law as these are already covered by the term "audiovisual work."</li> <li>• New provisions on the creation of the PAVA Governing Board and on the mechanisms to sustain the operations of PAVA will be included in the substitute bill.</li> </ul>
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