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COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	HR 2206	Rep. Benitez	Inquiry into the increase in electricity rates of electric cooperatives in Negros and Iloilo	<p>The Committee, chaired by Rep. Juan Miguel Macapagal Arroyo (2nd District, Pampanga), will continue its inquiry relative to House Resolution 2206.</p> <p>In his opening remarks, Rep. Arroyo said that the inquiry is in response to the clamor of lawmakers from Western Visayas, particularly from the Provinces of Negros Occidental and Iloilo, to address the increase in electricity rates in their provinces.</p> <p>Rep. Arroyo noted the huge number of resource persons in attendance to shed light on the issue, so he said that the Committee will most likely conduct a series of meetings to hear all of them. For today's meeting, he remarked that the Committee will hear first the positions of the Department of Energy (DOE), Energy Regulatory Commission (ERC), National Grid Corporation of the Philippines (NGCP), and the electric cooperatives.</p> <p>Rep. Francisco "Kiko" Benitez (3rd District, Negros Occidental), author of HR 2206, said the purpose of the inquiry is to find out the cause of the high electricity rates in Negros Occidental and Iloilo, and Region 6 as a whole. He underscored the need to come up with immediate solutions to provide relief to the affected consumers especially at this time of the pandemic.</p> <p>Midway to the meeting, the Committee Vice Chair, Catanduanes Rep. Hector Sanchez, took over as presiding officer.</p> <p>Expressing support for the conduct of this inquiry were Iloilo Reps. Lorenz Defensor (3rd District) and Michael Gorriceta (2nd District), co-authors of HR 2206; and Negros Occidental Reps. Juliet Marie de Leon Ferrer (4th District) and Leo Rafael Cueva (2nd District).</p> <p>ERC Chair Agnes Devanadera attributed the increase in electricity rates to the damaged submarine cables of the NGCP (connecting Cebu to Negros Occidental and Panay Island) caused by the Department of Public Works and Highways (DPWH) as the latter was doing dredging activities in the area last June 15. She explained that this resulted in the congestion of transmission lines and shortage of power supply affecting the operations of distribution utilities or</p>

<p>Continuation... Energy</p>				<p>electric cooperatives (DUs/ECs). She said ECs were forced to get their power supply from other sources that are available in the area such as from generation companies (gencos) using diesel engines which are more expensive. Consequently, Devanadera said this caused an increase in the generation charges which are also referred to as “congestion charges” and are reflected in the electric bills of consumers.</p> <p>Replying to the query of Rep. Sergio Dagooc (Party-List, APEC), Devanadera said the ECs cannot be blamed for the high electricity rates because they are just the collectors of the congestion charges which are remitted to the gencos.</p> <p>Devanadera also informed the body that from the time the submarine cable was damaged, the ERC made proper coordination and consultations with the Philippine Electricity Market Corporation (PEMC), NGCP, DOE, DPWH, and the affected DUs/ECs to address the problem. By September, she said the ERC suspended the collection of the congestion charges until the complete restoration and operationalization of the submarine cable/transmission line of the NGCP, or until a more applicable pricing is approved by the ERC.</p> <p>Further, Devanadera said the ERC ordered the refund of the congestion charges and other applicable charges attributable to the said transmission line outage that were already collected from the consumers for the billing months of June to August.</p> <p>The PEMC was incorporated in November 2003 as a non-stock, non-profit corporation upon the initiative of the DOE in collaboration with representatives from the various sectors of the electric power industry. Its role is to ensure that there is power supply, efficiency, market, and competition in the energy industry through the effective and efficient operation of the Wholesale Electricity Spot Market (WESM). The WESM is a centralized venue for buyers and sellers to trade electricity as a commodity where prices are determined based on actual use (demand) and availability (supply). (Source: PEMC website)</p> <p>NGCP Assistant Vice President and head of Technical Management Giovanni Randolph Galang discussed the timelines for fixing or restoring the damaged submarine cable: if the damaged part is less than 400 meters, the repair would be completed in 121 days; if it is more than 400 meters, the repair would be completed in 352 days; and if it is more than 2,000 meters, the repair would take about 688 days as the entire cable will have to be replaced.</p> <p>The General Manager of Central Negros Electric Cooperative, Inc. (CENECO), Danny</p>
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<p>Continuation... Energy</p>				<p>Pondevilla, who represented the ECs in Western Visayas, urged an immediate and alternative solution to the high electricity rates pointing out that it would take a long time to repair the damaged submarine cable. He suggested the fast-tracking of the NGCP's construction of its new transmission line under the <i>Cebu-Negros-Panay (CNP) 230kV Backbone Project Stage 3 (Interim Scheme)</i>. He also recommended that affected ECs in Region 6 should be exempted from the competitive selection process (CSP), which is a prerequisite to the approval of a Power Supply Agreement (PSA) by the ERC. In this way, he said the ECs can immediately tap other power suppliers that can provide more affordable rates in the meantime that the problem of the transmission line outage is not yet fixed.</p> <p>DOE Electric Power Industry Management Bureau Director Mario Marasigan agreed with the suggestions of Pondevilla. He also apprised the body that the DOE has already approved the exemption of one EC from the CSP.</p> <p>Asked by Rep. Benitez on the rationale of exempting ECs from the CSP requirement as an interim solution to the problem of high electricity rates, Devanadera explained that the processing and approval of an application for a regular PSA, which involves compliance with the CSP, would normally take 15 years. On the other hand, the application for an emergency PSA which provides exemption from the CSP would only take a year to be approved by the ERC. She said it is imperative that the affected ECs in Region 6 be able to tap other suppliers of power to avoid a supply shortage which might further trigger an increase in electricity rates.</p> <p>Rep. Godofredo Guya (Party-List, RECOBODA) inquired about the status of the construction of the <i>CNP 230kV Backbone Project Stage 3</i>.</p> <p>NGCP Assistant Vice President and head of the Visayas System Operation Christian Ereño reported that the target completion is between December 2021 and February 2022. However, Ereño said the NGCP hopes to finish it by the end of the year as there are only six towers remaining to be built. The NGCP, he added, is calling on the concerned government agencies to fast-track the resolution of right-of-way issues to avoid any delay in the completion of the project.</p> <p>Meanwhile, Deputy Speaker Rodante Marcoleta (Party-List, SAGIP) and Minority Leader Joseph Stephen "Caraps" Paduano (Party-List, ABANG LINGKOD) stated that there might be a need to revisit the rules on the implementation of the WESM in order to prevent price fluctuations or instabilities in case of man-made disasters or accidents. In such situations, they said the burden should not be passed on to the consumers.</p>
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Continuation... Energy				<p>The DOE and the ERC said they are willing to revisit the rules and regulations of the PEMC relative to the WESM.</p> <p>On his part, Bacolod City Rep. Greg Gasataya cited the need to explore and develop renewable energy sources in Region 6 to serve as alternative sources of power.</p> <p>Other resource persons from the different ECs also related the effect on their operations by the submarine cable damage or transmission line outage.</p> <p>Rep. Sanchez assured them that these concerns will be further discussed in the succeeding meetings of the Committee relative to HR 2206.</p> <p>The resource persons were asked to submit the pertinent documents that were requested by the Members during the meeting.</p>
Higher and Technical Education	HR 2189	Deputy Speaker Hataman	Commemorating the 60 th founding anniversary of the Mindanao State University (MSU) and commending MSU for its invaluable contribution to the Bangsamoro Autonomous Region and its people	<p>The Committee, chaired by Baguio City Rep. Mark Go, adopted House Resolution 2189, subject to style and amendment. The corresponding Committee Report was likewise approved.</p> <p>Rep. Amihilda Sangcopan (Party-List, AMIN), co-author of HR 2189, highlighted the achievements of the MSU in its 60 years of operation. She cited MSU's role in expanding the horizons and opportunities for the students of MSU through excellent education that also promotes social progress in the Bangsamoro Autonomous Region and its people.</p> <p>MSU President Habib Macaayong expressed support for the resolution and thanked the authors for recognizing the achievements of MSU.</p> <p>Commission on Higher Education (CHED) OIC-Deputy Executive Director Lily Freida Macabangun-Milla interposed no objection to the measure.</p>
	HB 9428	Rep Dimaporo (A.)	Establishing an MSU campus in the Municipality of Munai, Province of Lanao del Norte to be known as the MSU-Munai Campus and appropriating funds therefor	<p>The Committee approved HB 9428 subject to style and amendment. The corresponding Committee Report was likewise approved.</p> <p>Rep. Abdullah Dimaporo (2nd District, Lanao del Norte), author of HB 9428, pushed for the passage of his bill. He said that the establishment of an MSU campus in the Municipality of Munai in Lanao del Norte will provide the students in the area quality education without having to travel far to study in another MSU campus, thus also allowing them to save on transportation costs.</p> <p>The CHED and the MSU officials manifested their support for the bill.</p>

Continuation... Higher and Technical Education				<p>Rep. Go inquired if the creation of another campus in Munai would merit the MSU Board of Regents' approval.</p> <p>Macaayong said that the Board of Regents of MSU will approve the proposal provided that the proposed Munai campus will not offer the same courses offered by the nearby MSU campuses.</p>
	HB 9924	Rep. Garcia (J.E.)	<p>Converting the Bataan Peninsula State University Bagac Extension Campus in the Municipality of Bagac, Province of Bataan, into a regular campus of the Bataan Peninsula State University, to be known as the Bataan Peninsula State University-Bagac Campus, and appropriating funds therefor</p>	<p>The Committee approved HB 9924 subject to style and amendment. The corresponding Committee Report was likewise approved.</p> <p>Rep. Jose Enrique "Joet" Garcia III (2nd District, Bataan), author of HB 9924, explained that the proposed law will provide the Bataan Peninsula State University (BPSU) Extension Campus in Bagac greater access to resources needed to upgrade its facilities and services, expand its undergraduate and graduate courses, and open more opportunities for its students.</p> <p>BPSU President Gregorio Rodis and CHED Region III Director Maria Teresita Semana expressed their support for the bill.</p>
	HB 10170	Rep. Villafuerte	<p>Renaming the Central Bicol State University of Agriculture in the Province of Camarines Sur to Gov. Luis R. Villafuerte University of Agriculture</p>	<p>The Committee approved HB 10170 subject to style and amendment. The corresponding Committee Report was likewise approved.</p> <p>Rep. Luis Raymund "LRay" Villafuerte Jr. (2nd District, Camarines Sur), author of HB 10170, said that he filed the bill to honor the memory of his father, the late Luis Villafuerte Sr., who had contributed significantly to uplift the quality of education in the Province of Camarines Sur. Rep. Villafuerte added that during the 14th Congress, his father sponsored a bill, which was later on enacted into law, creating the Central Bicol State University of Agriculture (CBSUA).</p> <p>However, Rep. Gabriel Bordado Jr. (3rd District, Camarines Sur) suggested that proper consultation be made with stakeholders to determine if they support the proposal to change the name of the school.</p> <p>Rep. Go maintained that consultation with stakeholders is not a requirement in the renaming of schools. Likewise, he opined that holding such activity now might set a precedent to other similar proposals.</p> <p>For his part, CBSUA President Alberto Naperi said that he will submit to the body's decision on the renaming of CBSUA.</p>
	HB 10175	Rep. Sanchez	<p>Establishing the Catanduanes State University Main and Panganiban campuses, and other university landholdings, as agro-industrial economic and processing zone in the Province of Catanduanes, to be known as Catanduanes State University Agro-</p>	<p>The Committee deferred the approval of HB 10175, as it agreed to request the Committee on Rules that the bill be taken up jointly by the Committee on Higher and Technical Education and the Committee on Economic Affairs.</p> <p>Catanduanes Rep. Hector Sanchez, author of</p>

<p>Continuation... Higher and Technical Education</p>			<p>Industrial Economic and Processing Zone, appropriating funds therefor</p>	<p>HB 10175, manifested that the explanatory note attached to his bill shall serve as his sponsorship speech.</p> <p>HB 10175 seeks to create the Catanduanes State University (CatSU) Agro-Industrial Economic and Processing Zone, which shall be managed and operated by the proposed CatSU Estate Management Authority.</p> <p>CatSU President Patrick Alain Azanza expressed support for the bill. He informed the Committee that CaTSU is the only state university in the province of Catanduanes and is dependent mainly on the appropriations from the national government. However, Azanza said that the CatSU has idle lands that can be utilized as an agro-industrial economic and processing zone to benefit not only the students, faculty, and researchers of CatSU, but also the residents of the Province of Catanduanes.</p> <p>Macabangun-Milla said that the creation of an agro-industrial economic and processing zone within the CatSU is a novel and innovative approach. She, however, opined that the matter has to be discussed and decided on by the CHED in an <i>en banc</i> meeting.</p> <p>Rep. Go asked about the position of the Philippine Economic Zone Authority (PEZA) on the proposed law.</p> <p>Azanza claimed that the PEZA Director General herself endorsed the proposed establishment of an agro-industrial economic and processing zone in CatSU. Azanza added that the CatSU Board of Regents has authorized him to commence the application process for the establishment of the agro-industrial economic and processing zone with the PEZA and other concerned agencies.</p> <p>The PEZA failed to send any representative to the meeting despite the invitation from the Committee.</p>
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