

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



'14 MAY 22 P4 22

SENATE
P. S. R. No. 666

RECEIVED BY: Ju

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORTED NEED TO ELIMINATE RED TAPE IN THE POWER SECTOR OF GOVERNMENT IN ORDER TO HASTEN THE USE OF GENERATORS BY COOPERATIVES TO PREVENT THE POWER CRISIS IN MINDANAO

WHEREAS, the Constitution, Article 2, Section 19, provides: "The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all";

WHEREAS, the *Philippine Daily Inquirer*, in its 7 May 2014 issue, reported that according to the Association of Mindanao Rural Electric Cooperatives (Amreco) bureaucratic red tape is keeping the cooperatives from tapping what could be a band-aid solution to Mindanao's continuing power crisis—loans for generators;

WHEREAS, Amreco head, Sergio Dagooc reportedly added that red tape was discouraging many cooperatives from availing themselves of the loans;

WHEREAS, Amreco claimed that although the government has set aside P4 billion for loans that cooperatives may avail of, the cooperatives have to go through a long bidding process and then wait for the approval of the Department of Energy (DOE);

WHEREAS, Dagooc also reportedly said that it will take 90 to 120 days for electric cooperatives to install the units, but then, after the units are installed, electric cooperatives still have to apply for approval at the Energy Regulatory Commission (ERC) before they can start running the new modular generating sets;

WHEREAS, Dagooc likewise claimed that waiting for ERC approval takes years;

WHEREAS, according to Dagooc, the energy crisis in Mindanao did not lie within their control, because although many cooperatives have already bought generators through the loan program, they cannot run because they have not been approved by the ERC;

WHEREAS, it was reported that Dagooc blamed the Electric Power Industry Reform Act (Epira) that allegedly did everything but reform the power industry;

WHEREAS, the report claimed that many Mindanao areas are suffering from up to six hours of brownouts daily as a result of a shortage in electric supply attributed mainly to the reduced operations of two main hydropower facilities—Agus and Pulangi;

WHEREAS, it was reported, though, that the Davao del Sur Electric Cooperative (Dasureco) said that it could assure its more than 60,000 consumers in the provinces of Davao del Sur and Davao Occidental of uninterrupted power supply through modular generators;

Dasureco, however, is among only eight cooperatives in Mindanao that have started using the generators;

WHEREAS, to eliminate the power supply crisis in Mindanao, the State should device mechanisms that will ensure transparency in government dealings but hasten the approval of loans and use of generators by electric cooperatives;

WHEREFORE, BE IT RESOLVED BY THE PHILIPPINE SENATE to direct the proper Senate committee to conduct an inquiry, in aid of legislation, on the reported need to eliminate red tape in the government in order to hasten the use of generators by cooperatives and to prevent the power crisis in Mindanao.

Adopted,

mir
MIRIAM DEFENSOR SANTIAGO

/mamt