


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SENATE
P. S. R. No. 1516

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
ON THE RECENT COMMISSION ON AUDIT REPORT THAT BY THE END OF 2014,
TRANSCO FAILED TO USE ITS SUBSIDY OF ₱1.5 BILLION FOR THE REPAIR AND
REHABILITATION OF TRANSMISSION LINES DESTROYED
BY SUPER TYPHOON YOLANDA

1 WHEREAS, the Constitution, Article 2, Section 28 states: "Subject to reasonable
2 conditions prescribed by law, the State adopts and implements a policy of full public disclosure
3 of all its transactions involving public interest";

4 WHEREAS, the Inquirer.net on 12 July 2015 cited the recent Commission on Audit
5 (COA) report stating that the National Transmission Corporation (Transco) failed to use ₱1.5
6 billion in government subsidies for the repair and rehabilitation of transmission lines destroyed
7 by super typhoon Yolanda in November 2013;

8 WHEREAS, the COA report stated that the subsidy remained unobligated and
9 undisbursed as of 31 December 2014, thus defeating the purpose for which it was given;

10 WHEREAS, according to the COA, as early as one month after the typhoon toppled
11 power lines, the national government already released the rehabilitation funds to Transco;
12 however, the funds have remained intact and have earned interest income;

13 WHEREAS, since the public funds were left unused, the COA directed the Transco to
14 return the unspent funds including all the interest it has earned to the treasury;

15 WHEREAS, based on Transco's 2014 financial transactions, the COA said the state-run
16 power distributor also failed to collect more than ₱803 million from its customers, which were
17 mostly electric cooperatives;

18 WHEREAS, the state auditors also discovered that the National Grid Corporation of the
19 Philippines (NGCP) assumed some of Transco's ₱803-million receivables but failed to remit
20 them to Transco. NGCP is a private company that bought Transco's power transmission
21 business;

22 WHEREAS, upon verification, the state auditors found that it was NGCP that spent for
23 the restoration and rehabilitation of the damaged power lines;

2 WHEREAS, the Congress, through relevant legislation, should put in place mechanisms
3 that could prevent the delay in the utilization of budget allocations for the immediate delivery of
4 relief assistance and rehabilitation, including power restoration, in the affected areas after a
5 calamity or disaster;

6 WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct
7 the proper Senate committee to conduct an inquiry, in aid of legislation, on the recent
8 Commission on Audit report that by the end of 2014, Transco failed to use its subsidy of ₱1.5
9 billion for the repair and rehabilitation of transmission lines destroyed by super typhoon
10 "Yolanda";

Adopted,


MIRIAM DEFENSOR SANTIAGO
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