

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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## SENATE

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## P. S. RES. NO.<u>556</u>

## Introduced by Senator JOEL VILLANUEVA

## RESOLUTION

URGING THE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PROGRAMS, ACTIVITIES, PROJECTS AND OTHER INITIATIVES OF THE DEPARTMENT OF ENERGY AND OTHER GOVERNMENT AGENCIES TO ENSURE CONTINUOUS SUPPLY OF ELECTRICITY THROUGHOUT THE YEAR, ESPECIALLY DURING PEAK SEASONS

**WHEREAS,** it is the policy of the State to ensure the quality, reliability, security, and affordability of the supply of electric power, as well as protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power;<sup>1</sup>

**WHEREAS,** historically, during the summer season from April to June, people consume more electricity because of heightened and prolonged use of appliances like air conditioners and electric fans to manage the heat;<sup>2</sup>

WHEREAS, the National Grid Corporation of the Philippines (NGCP) warned of the tight power supply this coming summer due to higher demand for 2023. According to the forecast of the Department of Energy (DOE), there will be a total peak power supply demand for Luzon towards the end of May, which is 8.35% higher than the same period for 2022; peak demand in Visayas will likely occur in September, which is

<sup>1</sup> Sec. 2(b) and 2(f), Republic Act No. 9136 the Electric Power Industry Reform Act

<sup>2</sup> February 20, 2023. Philippine power reserves thin in 2023; but no red alert just yet. Available at;

https://business.inquirer.net/387331/philippine-power-reserves-thin-in-2023-but-no-red-alert-just-yet (Date last accessed: March 15, 2023)

16.19% higher than the same period for 2022; and peak demand in Mindanao will be in June, which is 10.52% higher compared to the same period in 2022;<sup>3</sup>

**WHEREAS**, while the DOE assured that there would be no rotational blackouts this summer,<sup>4</sup> rotational power outages have already occurred as early as February 2023 in provinces around the country, including the provinces of Guimaras, Aklan, Antique, Capiz and Iloilo;<sup>5</sup>

**WHEREAS,** instead of blackouts, DOE expects that there will be thin power reserves which will lead to a yellow alert. A yellow alert is issued when the contingency reserve is less than the capacity of the largest synchronized generating unit or power import from a single interconnection, whichever is higher. Meanwhile, a red alert is issued when the grid contingency reserve is zero, a generation deficiency exists, or there is Critical Loading or Imminent Overloading of transmission lines or equipment;<sup>6</sup>

**WHEREAS,** based on the 2021 Power Statistics report of the DOE, the following is the breakdown of energy source in megawatts in terms of installed capacity per grid, by plant type;<sup>7</sup>

Energy source	% Share	
Coal	43.4%	
Oil Based	14.3%	
Natural Gas	12.8%	
Renewable Energy	29.4%	

**WHEREAS,** DOE statistics reveal that over 50% of installed capacity in the Philippines comes from power plants that are at least 20 years old.<sup>8</sup> According to the DOE, if at least one old coal powered plant were to bog down, a red alert might be declared in the Luzon grid, leading to power outages;<sup>9</sup>

**WHEREAS**, there is a need to continue exploring other sources of energy, especially renewable sources of energy, in line with the DOE's goal to utilize cleaner technologies and increase flexibility in power generation, with a renewable energy power generation mix target of 35% by 2030 and 50% by 2040;<sup>10</sup>

<sup>3</sup> February 24, 2023. NGCP warns of tight power supply this summer. Available at;

https://www.cnnphilippines.com/news/2023/2/24/NGCP-warns-of-tight-power-supply-this-summer.html (Date last accessed: March 15, 2023)

<sup>4</sup> March 3, 2023. DOE: No summer blackouts. *Available at:* https://www.philstar.com/headlines/2023/03/03/2248876/doe-no-summer-blackouts(Date last accessed: March 15, 2023)

<sup>5</sup> February 20, 2023. Power outage hits 5 provinces of Western Visayas Available at; https://www.pna.gov.ph/articles/1195652 (Date last accessed: March 20, 2023)

<sup>6</sup> Energy Regulation Commission, Philippine Grid Code

<sup>7 2021</sup> Power Statistics, Department of Energy

<sup>8</sup> Supra at Note 2

<sup>9</sup> Ibid

<sup>10 2020-2040</sup> Power Development Plan

**WHEREAS,** given the foregoing and taking into consideration the possibility of extreme weather disturbances in the country, there is a need to pro-actively anticipate and address possible power shortages, identify short-term and long-term strategies, and expedite climate-proof solutions to minimize power interruptions and expedite its restoration in case of interruption. This includes proper maintenance of power plants, generators, and similar facilities, as well as promoting an energy conversation mindset among consumers;<sup>11</sup>

**RESOLVED BY THE SENATE,** as it is hereby resolved, to direct the Senate Committee on Energy to conduct an inquiry, in aid of legislation, on the programs, activities, projects and other initiatives of the DOE and other government agencies to ensure continuous supply of electricity throughout the year, especially during peak seasons, and during unforeseen extreme weather events and similar calamities.

Adopted,

SENATOR JOEL VILLANUEVA