



REPUBLIC OF THE PHILIPPINES

S e n a t e

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Journal

SESSION NO. 60

Wednesday, February 27, 2008

**FOURTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 60
Wednesday, February 27, 2008

CALL TO ORDER

At 4:16 p.m., the Senate President, Hon. Manny Villar, called the session to order.

PRAYER

The Body observed a minute of silent prayer.

SUSPENSION OF SESSION

With the permission of the Body, the Chair suspended the session.

It was 4:17 p.m.

RESUMPTION OF SESSION

At 4:19 p.m., the session was resumed.

ROLL CALL

Upon direction of the Chair, the Secretary of the Senate, Emma Lirio-Reyes, called the roll, to which the following senators responded:

Aquino III, B. S. C.	Honasan, G. B.
Arroyo, J. P.	Madrigal, M. A.
Biazon, R. G.	Pangilinan, F. N.
Cayetano, A. P. C. S.	Pimentel Jr., A. Q.
Cayetano, C. P. S.	Revilla, R. B.
Ejercito Estrada, J.	Villar, M.
Escudero, F. J. G.	Zubiri, J. M. F.

With 14 senators present, the Chair declared the presence of a quorum.

Senators Enrile and Lapid arrived after the roll call.

Senators Angara, Gordon, Lacson, Roxas and Defensor Santiago were on official business, the latter abroad.

Senator Legarda was absent.

Senator Trillanes was unable to attend the session.

**ACKNOWLEDGMENT
OF THE PRESENCE OF GUESTS**

Senator Pangilinan acknowledged the presence in the gallery of nursing students from the San Juan De Dios Educational Foundation.

Senate President Villar welcomed the guests to the Senate.

APPROVAL OF THE JOURNAL

Upon motion of Senator Pangilinan, there being no objection, the Body dispensed with the reading of the Journal of Session No. 59 and considered it approved.

REFERENCE OF BUSINESS

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

**MESSAGES FROM THE
HOUSE OF REPRESENTATIVES**

Letters from the Secretary General of the House of Representatives, informing the Senate that on February 19, 2008, the House of Representatives passed/adopted the following in which it requested the concurrence of the Senate:

House Bill No. 3351, entitled

AN ACT ESTABLISHING A NATIONAL
HIGH SCHOOL IN BARANGAY
SINUBONG, CITY OF ZAMBOANGA
TO BE KNOWN AS THE SINUBONG



NATIONAL HIGH SCHOOL AND
APPROPRIATING FUNDS THEREFOR

**To the Committees on Education, Arts and
Culture; and Finance**

House Concurrent Resolution No. 12, entitled

CONCURRENT RESOLUTION AMEND-
ING THE LEGISLATIVE CALENDAR
OF THE FIRST REGULAR SESSION
OF THE FOURTEENTH CONGRESS
OF THE PHILIPPINES, AS AMENDED

To the Committee on Rules

BILLS ON FIRST READING

Senate Bill No. 2093, entitled

AN ACT AMENDING REPUBLIC ACT
NO. 7898 OTHERWISE KNOWN AS
THE AFP MODERNIZATION ACT

Introduced by Senator Enrile

**To the Committees on National Defense
and Security; Ways and Means; and Finance**

Senate Bill No. 2094, entitled

AN ACT TO PROMOTE AND DEVELOP
THE PHILIPPINE MANGO INDUSTRY,
CREATING FOR THIS PURPOSE
THE PHILIPPINE MANGO INDUSTRY
DEVELOPMENT BOARD, APPRO-
PRIATING FUNDS THEREFOR, AND
FOR OTHER PURPOSES.

Introduced by Senator Antonio "Sonny" F.
Trillanes IV

**To the Committees on Agriculture and
Food; Trade and Commerce; and Finance**

Senate Bill No. 2095, entitled

AN ACT STRENGTHENING THE MAN-
DATE ON THE INTERCONNEC-
TION BETWEEN AND AMONG
PUBLIC TELECOMMUNICATIONS
ENTITIES, PROVIDING PENALTIES
FOR ITS VIOLATION AND FOR
OTHER PURPOSES

Introduced by Senator Antonio "Sonny" F.
Trillanes IV

To the Committee on Public Services

RESOLUTIONS

Senate Joint Resolution No. 8, entitled

JOINT RESOLUTION EXPRESSING
THE SENSE OF CONGRESS TO
INCREASE THE COMBAT DUTY PAY
OF ALL OFFICERS AND ENLISTED
PERSONNEL OF THE ARMED
FORCES OF THE PHILIPPINES
(AFP) TO TWENTY-FIVE PER
CENTUM (25%) OF THE BASE
PAY AND PROVIDING FUNDS
THEREFOR

Introduced by Senator Enrile

**To the Committees on National Defense
and Security; and Finance**

Proposed Senate Resolution No. 309, entitled

RESOLUTION DIRECTING THE COM-
MITTEES ON ACCOUNTABILITY
OF PUBLIC OFFICERS AND
INVESTIGATIONS (BLUE RIBBON);
NATIONAL DEFENSE AND
SECURITY; AND ENVIRONMENT
AND NATURAL RESOURCES TO
INVESTIGATE, IN AID OF
LEGISLATION, THE SUPPOSED
"SPRATLY DEAL" PURPORTEDLY
ENTERED INTO BY THE ARROYO
GOVERNMENT WITH CHINA, A
PACT REPORTEDLY INVOLVING
THE TREACHEROUS SELLOUT OF
PHILIPPINE INTEREST AND
PHILIPPINE SOVEREIGNTY IN
EXCHANGE FOR OVERPRICED
LOANS FOR ANOMALOUS PROJECTS
WHICH INCLUDE THE ZTE-NBN
DEAL, THE NORTH RAIL AND
SOUTH RAIL PROJECTS, AND THE
DEP-ED'S CYBER-ED PROJECT,
AMONG OTHERS

Introduced by Senator Antonio "Sonny" F.
Trillanes IV *AK*

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To the Committees on Accountability of Public Officers and Investigations; National Defense and Security; and Environment and Natural Resources

ADDITIONAL REFERENCE OF BUSINESS

BILLS ON FIRST READING

Senate Bill No. 2096, entitled

AN ACT CREATING THE LAKE LANAO DEVELOPMENT AUTHORITY, DEFINING ITS POWERS, FUNCTIONS AND DUTIES, AND FOR OTHER PURPOSES

Introduced by Senator Gordon

To the Committees on Government Corporations and Public Enterprises; Economic Affairs; Ways and Means; and Finance

Senate Bill No. 2097, entitled

AN ACT CREATING THE MINDANAO RAILWAYS CORPORATION, PRESCRIBING ITS POWERS, FUNCTIONS AND DUTIES, AND PROVIDING FOR THE NECESSARY FUNDS FOR ITS OPERATION

Introduced by Senator Gordon

To the Committees on Government Corporations and Public Enterprises; Public Services; Ways and Means; and Finance

MANIFESTATION OF SENATOR ESCUDERO

Senator Escudero stated that he was absent in the previous day's session because he was unable to come on time for the plenary session which was adjourned early. However, he manifested that he was already in the Senate as early as ten o'clock in the morning attending the respective hearings of the Committee on Ways and Means, and the Committees on Accountability of Public Officers and Investigations; National Defense and Security; and Trade and Commerce.

The Chair noted Senator Escudero's manifestation.

SUSPENSION OF SESSION

With the permission of the Body, the Chair suspended the session.

It was 4:25 p.m.

RESUMPTION OF SESSION

At 4:26 p.m., the session was resumed.

PRIVILEGE SPEECH OF SENATOR ZUBIRI

Availing himself of the privilege hour, Senator Zubiri delivered the following speech:

A TALE OF TWO HUNTERS

On a number of occasions, I rose in this august Chamber in defense of the environment and to expose violations of our environmental laws. Today is no different from those instances. I will not cease to stand on this floor as long as our environmental laws continue to be flagrantly violated. I ask our distinguished colleagues to bear with me on this crusade, if only to call everyone's attention, especially the public and the executive branch, which is supposed to zealously implement our laws. And we, too, in the legislative can do something, to amend the law, if necessary, or in the exercise of our oversight powers, to look into the culpability or neglect of our law enforcers and executive officials. This humble Representation is not only passionate about environmental advocacy, for me, it is a way of life.

Bird massacre

I would like to tell this Chamber about an incident of bird massacre which happened on December 13, 2007. An article in the *Philippine Daily Inquirer* by columnist Juan Mercado tackled the "slaughter of the birds" in several towns of Negros Occidental purportedly by the members of a loose organization called the Bacolod Air Rifle Hunting Club. The grisly photos of shot birds displayed on the internet by some of the members of the club led to the accidental discovery of this illegal activity by Mr. Josef Sagemuller while he was surfing the internet in search of information on birds in the Philippines. He then alerted the Wild Bird Club of the Philippines represented by Mr. Michael Lu, who is here with us today, together with his members, at the VIP section, along with members of the diplomatic corps, most specifically

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Ambassador David Pine of New Zealand, who share a passion for conservation. The discovery sparked the drive for 10,000 signatures by the club to curb this slaughter and call the attention of authorities. The photos displayed hundreds of slaughtered doves, mallards, whistling ducks, snipes and other endemic and endangered species, according to Mr. Lu. In an attempt to cover up their illegal deeds, after the photos posted in their website caught the attention of environmentalists, the Bacolod Air Rifle Hunting Club shut down their own website.

What is worse is the blatant denial of some of its members that it ever happened. Well, a picture speaks a thousand words! And at this point, let me show pictures of these beautiful live animals, such as this beautiful mallard, and on the next slide, we will see photos of massacred birds which were downloaded before they were pulled out so that the authorities would have something to start the investigation with.

These pictures of dead mallards are disturbing because not only do they show the members of the Philippine National Shooting Team holding endemic and endangered species of animals, in particular, this great heron, but what also makes it more significant is that the boat that they utilized to hunt these animals is a *Bantay Dagat* government-issued boat to protect these areas. And if we go back to the previous slide — actually, we did it through our computers, but I do not know if we can do it through the slides but we closed up on the insignia of the boat. It was a boat located in Camarines Norte and we are trying to find out what the exact emblem is to know the exact municipality of Camarines Norte where this blatant abuse of our laws was done.

On the next slide, we see members of the Philippine National Shooting Team holding several Philippine mallards, an endangered species. Those are the ones that were shown in the last Candaba Bird Festival as beautiful species to watch, not to catch or hunt.

On the next slide, a young lady who is member of the Philippine National Shooting Team is also holding up an endangered animal.

The next slide shows hundreds of snipes and pigeons displayed on a table.

Another photo shows a hunter with spotted pigeons and several other pigeons and *batu-bato* hanging from the sling of his gun.

The next slide will show those very rare pink-necked green pigeons. Actually, if I go out

bird-watching, I have a difficult time seeing these beautiful doves and pigeons blightly shot by those people.

The next slide also shows hundreds of snipes shot by this group of shot-gunners.

The next slide is also disturbing and I will get to that portion.

So that the authorities would have something to start their investigation with, let me name their group: the Bacolod Air Rifle Club and some members of the Philippine National Shooting Team. A certain Mr. Gino Castandielo was the one who posted the photos in the internet, one of which shows a certain Ms. Tet Lara, Mike and Jade De Guzman of the Philippine National Shooting Team, who had posted their own lame excuse for the compromising photos. These people's names cropped up in their own website, just before they shut it down. Others were even interviewed and admitted to this illegal activity but pleaded that they were not aware of RA 9147 or the Wildlife Resources Conservation and Protection Act. Have they not heard of the legal maxim "ignorance of the law excuses no one"?

What frustrates me the most is the inaction of our DENR officials about this brazen violation of our wildlife laws. I will get to that later on.

We also found out about the plans of this group in Mindoro which they call the Mindoro Safari.

Mindoro Safari

In another hunting expedition, this fellow from New York by the name of Jay T. Carlson is enticing foreign tourists for an exciting and different hunting activity in Mindoro. He is the outfitter for the hunting activities and advertises his hunting expedition in the internet.

According to reports posted in the website www.huntingreport.com, the Mindoro Safari is a 12- to 14-day itinerary with 10 hunting days in the field and for a fee of US\$10,500 to US\$12,500. The hunt is done totally on foot in the thick jungle of Mt. Halcon in Mindoro with the help of the Mangyans. Mr. Carlson started this hunting expedition in 2002 and has pioneered some fascinating hunts for Asian water buffalo and Philippine sambar deer. They also take wild boar and bearded warty pig as hunt trophies. "Clients may take a second buffalo for an additional US\$1,200. A fit client should expect to collect two primary species with additional species collected as time allows. Most clients shoot

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three animals. Hides are prepared for shipment/dip and pack. All paperwork is processed for export," says the report published in April 2005.

Mr. Carlson's first client in 2002 was Hunting Report Honor Roll subscriber Truman Clem, who took an Asiatic water buffalo. According to Mr. Clem, "the hunts are best marketed to the Safari Club International (SCI) hunter/collector who is looking for unique species found nowhere else."

What they romantically call as Asiatic water buffalo is nothing but our hardworking domesticated carabao – the poor animal was probably standing by itself or even tied to the ground when it was killed. It may not fall under the *CITES list of endangered species* but nevertheless, it would violate RA 8485, The Animal Welfare's Act, a law against the cruelty to animals.

And if the November 2007 report posted in their website is to be believed, it is still ongoing with a possibility to include in the hunt the 12 to 18 foot crocodiles that have been seen in their hunting grounds.

These crocodiles are one of the most endangered fresh water crocodiles in the planet. They are known as *Crocodilus mindorensis* and are numbered only in the hundreds left in the wild. If these reports are true, then this fellow should be prosecuted, fined and should serve his sentence in our jails as stipulated in Section 28 of RA 9147. After which, he should be deported as a menace to the environment.

I would like to also ask our Bureau of Immigration and Deportation to look into his status as we have reports that he has overstayed his tourist visa.

Wildlife roles in our ecosystems

Birds and wildlife have important roles to play in the chain of life. Decimating their populations would threaten the viability of all ecosystems. Birds play a key role for the Philippine environment. They eat fruits and disperse the seeds over wide parts of land that are crucial in revitalizing our forests. Some nectar-feeders such as the olive-backed sunbird are important pollinators. Seabirds improve the ecology of small islands by producing large amounts of guano which enriches the island's soil, allowing less adaptable plants to root.

More than 200 Philippine birds, out of 600 resident and migratory species, are included in the World Conservation Union's red list of

critically-endangered species. Among them are the Philippine cockatoo, the Negros fruit-dove and the Philippine eagle, considered as the world's largest eagle.

The most unique animal feature of Mindoro must be the tamaraw (*Bubalus Mindorensis*), or dwarf water buffalo. The tamaraws are endemic to Mindoro. There were around 10,000 tamaraws in Mindoro in the 1900s. By the 1960s, only about 300 had been counted in the wild, making it rarer than the black rhinoceros of Africa, China's panda and the tiger of Asia. It was listed as critically-endangered in 1970. The latest DENR official count placed their numbers at 263.

The World Conservation Union cites habitat loss from cattle ranching and farming, hunting and diseases as the major threats to the tamaraw's survival.

Another threat to biodiversity conservation is the continuous poaching activities for the pet trade. It still saddens me to find out from my friends that they still see the rare Philippine cockatoo or *katala* or even the mouse deer being sold at stalls in Cartimar, Arranque and at provincial markets where these species are found. This is a clear violation of our laws once again.

I strongly condemn these illegal hunting and poaching activities which could lead to the extinction of many birds and mammal species which are endemic to the Philippines.

I would like to remind these violators of the provisions of RA 9147 – Wildlife Conservation Act – which I had the honor to author in the 11th Congress, together with the distinguished members of this Chamber, particularly –

Section 27 of Chapter IV on *Illegal Acts*:

- a. killing and destroying wildlife species;
- f. collecting, hunting or possessing wildlife, their by-products and derivatives;

Section 25 of Chapter V on *Fines and Penalties*:

- a. imprisonment of a minimum of six (6) years and one (1) day to twelve (12) years and/or a fine of One Hundred Thousand Pesos (P100,000) to One Million Pesos (P1,000,000), if inflicted or undertaken against species listed as critical;
- b. imprisonment of four (4) years and one (1) day to six (6) years and/or a fine of Fifty Thousand Pesos (P50,000) to Five Hundred Thousand Pesos (P500,000), ¹⁵

if inflicted or undertaken against endangered species.

I ask our Committee on Environment and Natural Resources to investigate this issue and determine the gross negligence and responsibility of our environment officials, particularly the regional directors of these areas and the Protected Areas and Wildlife Bureau personnel. Why do they allow these illegal and immoral activities to continue? When will they muster the political will to prosecute these people?

I suggest that we, together with the environmental groups, file cases with the Green Ombudsman tasked to look into cases involving environment officials who neglect their mandates.

I also ask the Philippine Sports Commission if the members of the Philippine National Shooting Team mentioned in this privilege speech are still part of the present shooting team, to suspend their financial and logistical support to the Philippine National Shooting Team until an investigation is conducted and those responsible have been identified. Even before they could bring honor to the country in international competitions, they had already brought disgrace to our people and to the entire sports community by their illegal hunting activities.

This is not just about conservation. It is about biodiversity, natural heritage, legacy and ecological balance. Instead of putting out life, these poachers should modify their motivations to that of creating life. Instead of seeking gun permits, why not apply for breeding permits and set up wildlife breeding farms for conservation, trade and/or scientific purposes?

We must put a stop to these illegal hunting activities that threaten the survival of species which are endemic to the country. We must seriously look into this issue and prosecute those who would be found violating our laws.

In Psalm 104:24, "How many are your works O Lord! In wisdom you made them all; the earth is full of your creatures."

And here they are, destroying God's creatures.

At this juncture, Senate President Villar relinquished the Chair to Senate President Pro Tempore Ejercito Estrada.

INTERPELLATION OF SENATOR HONASAN

Senator Honasan believed that the firearm is an instrument for the abuse and violation of the law, and that raising the standards of the firearms law, including its penalties, would be sufficient to cover the actuations of the members of the Philippine National Shooting Team.

Senator Zubiri agreed, saying that the incident would not have happened had the use of firearms been limited to the shooting range. Under the law, he explained that permits to carry firearms are issued to those whose lives are in danger.

REFERRAL OF SPEECH TO COMMITTEE

Upon motion of Senator Pangilinan, there being no objection, the Chair referred the privilege speech of Senator Zubiri and the interpellation thereon to the Committee on Environment and Natural Resources.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 4:48 p.m.

RESUMPTION OF SESSION

At 5:13 p.m., the session was resumed.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Pangilinan acknowledged the presence of students from the Centro Escolar University of Makati.

Senate President Pro Tempore Ejercito Estrada welcomed the guests to the Senate.

COMMITTEE REPORT NO. 36 ON SENATE BILL NO. 2046

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2046 (Committee Report No. 36), entitled *W*

AN ACT PROMOTING AND ENHANCING THE DEVELOPMENT, UTILIZATION AND COMMERCIALIZATION OF RENEWABLE ENERGY RESOURCES.

Senator Pangilinan stated that the parliamentary status was still the period of interpellations.

INTERPELLATION OF SENATOR ENRILE

Asked by Senator Enrile why the bill limits the beneficiaries to end-users with a monthly average consumption of 100 kilowatts when most households use between 5 kilowatts and 100 kilowatts, Senator Zubiri replied that it would be difficult for a distribution company to isolate households with small energy consumption, hence, for financial viability the limit was set to at least 100 kilowatts. Besides, he supposed that small households would opt for net metering incentives.

Senator Enrile noted that the EPIRA allows end-users of one megawatt to directly contract with the generator but since the bill reduces the limit to at least 100 kilowatts, households using less than 100 kilowatts must still use the facilities of big-time generators but they would not be able to avail of the benefits of the proposed Act. He observed that on the supply side, small generators of renewable energy (RE) would be encouraged to engage in business by giving them incentives like tax holidays, net operating loss carry-overs; accelerated depreciation; income tax holidays and others. Further, he pointed out that since the EPIRA authorizes aggregators to supply power, households in a subdivision individually consuming less than 100 kilowatts can become aggregators, directly contract for cheaper energy and use only one meter. He asked if the aggregator in this instance could avail of the benefits under the bill. Senator Zubiri replied in the affirmative, adding that a system could be worked out whereby the distributor can contract directly with the households.

Considering that the aggregator could handle the distribution of renewable energy to households, asked whether Meralco, Cepalco, Veco or Batelco would be able to do the same for their clients, Senator Zubiri reiterated that it would be difficult to service individual households. He indicated his willingness to consider a proposal to reduce the 100 kilowatts to 50 kilowatts or 80 kilowatts at the proper time. Senator Enrile stated that the matter shall be dealt with during the period of amendments.

Asked on the types of accelerated depreciation that are being contemplated in the bill, Senator Zubiri said that he would get the DOF's full explanation of the provision on accelerated depreciation and furnish Senator Enrile with a copy thereof.

Asked about non-power applications as mentioned in Section 13, Senator Zubiri replied that non-power applications include the installation of water heaters, solar power and water pumps. He cited the city of Vallejo in the U.S. which utilizes solar power to pump water from a ground reservoir.

To Senator Enrile's observation that solar energy can generate steam to run a turbine and produce power for a pump and an irrigation canal, Senator Zubiri clarified that it is not steam but electrons that are being produced by solar energy, which power up certain pumps that irrigate fields.

Senator Enrile stressed the need to define all the technical terms used in power engineering, as well as the RE systems considering that all these are entitled to incentives. Senator Zubiri agreed.

Asked on the meaning of "hybrid system," Senator Zubiri replied that it refers to any power or energy generation facility which makes use of two or more types of technologies utilizing both conventional or renewable fuel sources, such as, but not limited to, integrated solar/wind systems, biomass/fossil fuel systems, hydro/fossil fuel systems, integrated solar/biomass systems, integrated wind/fossil fuel systems, with a minimum of ten megawatts or ten percent of the annual energy output provided by the RE component.

Asked to explain the Renewable Energy Trust Fund (RETF), Senator Zubiri stated that this energy trust fund shall be sourced from emission fees collected by the Environmental Management Bureau (EMB) from all generating facilities consistent with the Philippine Clean Air Act. He affirmed that emission fees are collected from privately owned electric generators that do not comply with the said Act. He said that government and private facilities such as sugar mills, cement plants and other processing plants are inspected yearly by the EMB and are subsequently fined according to the law.

Asked whether 1.5% of the net annual income of the Philippine Charity Sweepstakes Office (PCSO) shall be part of the RETF, Senator Zubiri replied in the affirmative. *AK*

Senator Enrile asked the Committee to provide the Body with the amounts pertaining to the 1.5% annual income of the PCSO, the Philippine Amusement and Gaming Corporation (Pagcor), and the Philippine National Oil Company (PNOC) as other sources of the RETF. Senator Zubiri stated that the Committee would submit the requested data on Monday.

Regarding contributions, grants and donations which are all tax deductible under the bill, Senator Enrile asked if the Committee has any idea of the amount of revenue loss the country would suffer when Congress enacts the measure into law given its tax incentives. Senator Zubiri replied that while some are quantifiable, others are not because importation and the types or sizes of equipment vary.

Asked how much would be lost assuming that the renewable energy reaches 2,500 megawatts, Senator Zubiri replied that he would give the actual figure at a later time. However, he believed that the benefits outweigh the perceived losses, and that government would have dollar savings from the importation of coal and bunker fuel alone. In this regard, he adverted to the RE Policy Framework submitted by the DOE which indicated that the Philippines would experience a net benefit of as much as \$1.2 billion or P67 billion through the development of 2,500 megawatts of RE based on grid power projects from 2006 to 2014. He said that he would furnish Senator Enrile with the data.

On the cost of putting up a 100-megawatt micropower system, Senator Zubiri replied that the cost for a wind power project is about \$2 million per megawatt; and geothermal, \$2 million per megawatt, so that for a 2,500-megawatt RE project, the required capital outlay is P200 billion inclusive of the capacity cost—the cost of building a power plant, business development activities, negotiations, among others. Even as he acknowledged that the cost would be cheaper at \$1 million per megawatt if bunker fuel is used, he maintained that it would still be higher because the price of oil continues to rise and government pays for the fuel every time there is need to generate a megawatt of power; on the other hand, while the present cost of putting up a wind power plant is double, it would be cheaper in the long run because the wind, which is a constant source, is free.

Upon further queries, Senator Zubiri stated that the life of a windmill is more than 20 years, and a

hydro plant is about 50 years. He said that these plants, as well as oil plants and engine and bunker fuel storage facilities, should be maintained regularly, at least every five years.

Senator Enrile warned against treading on untried trails which the government might regret later. Senator Zubiri agreed that there is need to study the measure exhaustively. Nonetheless, he said that the trend worldwide, especially in Europe and the United States, has moved towards RE production not only because of cost but also due to the alarming problem of climate change and global warming. He stated that the Philippines is already experiencing rainy season and may have a wet summer and a late dry season in the months of June and July, which might cause problems to the farmers during the planting season. He noted that the problem has become global and should be addressed by reducing down the use of fossil-based fuel.

On the matter on the RETF, Senator Zubiri explained that this is similar to the trust funds of other nations. He stated that in order to come up with an efficient RE technology, Governor Arnold Schwarzenegger of California earmarked \$3 billion for a green fund that is being tapped by investors. Even Mayor Gavin Newsom of San Francisco, he noted, has developed a water-based energy project using the ocean currents in the San Francisco Bay particularly underneath the Golden Gate Bridge. Given the experience of countries with green funds like Germany, Spain and the U.S., he said that the bill proposes the creation of a Renewable Energy Trust Fund precisely to help proponents undertake projects to generate RE but definitely, he added, it would not be a dole-out.

Upon further query, Senator Zubiri affirmed that as provided for in the proposed Act, the Department of Energy (DOE) shall handle the fund. On the possibility that the DOE could mishandle the fund just as it did the road user's tax, he pointed out that Section 18 of the bill speaks of the creation of the National Renewable Energy Board (NREB) which is mandated, among others, to oversee and monitor the utilization of the RE Fund, adding that there is also the Joint Congressional Power Commission.

On the suggestion that the proposal be restudied so that Congress could establish a better mechanism to administer the fund and ensure that it shall be utilized for the purposes contemplated, Senator Zubiri

agreed as he invited Senator Enrile to help strengthen the provision.

To the observation that Section 23 could very well violate the constitutional proscription against double jeopardy since it penalizes crimes prohibited under the proposed Act "without prejudice to the penalties provided for under existing environmental regulations prescribed by the DENR and/or any other concerned government agency," meaning that a violator could be charged with multiple crimes for the same act, Senator Zubiri stated that being a non-lawyer, he would defer to Senator Angara.

At this point, Senator Enrile said that he would continue his interpellation at some other time.

INTERPELLATION OF SENATOR HONASAN

Asked by Senator Honasan if the Philippine Energy Plan is already in place, Senator Zubiri replied in the affirmative, saying that he would furnish Senator Honasan with copy of said plan. He said that under the plan, the lead agency is the Department of Energy.

Senator Honasan asked why, under Section 24 of the bill, the National Economic and Development Authority (NEDA) shall not be actively involved in the evaluation of foreign loans and grants with respect to the privatization of renewable energy facilities, which is a critical issue in terms of the country's productivity and overall economic development. In reply, Senator Zubiri stated that the particular provision was lifted from the mini-hydro law, which provides incentives to mini-hydro plants in order to fast-track the implementation of certain projects. Nonetheless, he said that he would discuss the matter with the other authors of the bill in the hope of strengthening this particular provision.

On the concern that Section 18 would, in effect, create another layer of bureaucracy to perform a function that can be readily addressed by the NEDA or some other mechanism, Senator Zubiri stated that the NREB is purely an administrative recommendatory oversight body to monitor, harmonize, and implement the program.

Senator Honasan cautioned that the creation of a board is tantamount to defeating the very purpose of the bill. He said that he would continue his interpellation at a later time.

Senator Zubiri said that he would furnish Senator Honasan with the necessary documents.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2046


Upon motion of Senator Pangilinan, there being no objection, the Body suspended consideration of the bill.

ADJOURNMENT OF SESSION

Upon motion of Senator Pangilinan, there being no objection, the Senate President Pro Tempore declared the session adjourned until three o'clock in the afternoon of Monday, March 3, 2008.

It was 6:06 p.m.

I hereby certify to the correctness of the foregoing.


EMMA LIRIO-REYES
Secretary of the Senate

Approved on March 3, 2008