

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

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SENATE

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RECEIVED BY

INTRODUCED BY SENATOR RISA HONTIVEROS

RESOLUTION

CALLING FOR THE SENATE COMMITTEE ON ENERGY TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION INTO ISSUES AFFECTING THE STABILITY AND RELIABILITY OF THE NATIONAL POWER GRID WHICH RECENTLY LED TO A WIDESPREAD POWER OUTAGE AFFECTING ALL FOUR PROVINCES ON THE ISLAND OF PANAY AND THE ISLAND OF GUIMARAS

WHEREAS, on January 2, 2024, all four provinces on the Island of Panay and Island of Guimaras, were affected by blackouts, with the National Grid Corporation of the Philippines ('NGCP") stating in an advisory posted on its website that all of the island's power plants had shut down at around 2:47 P.M. of that day for unknown reasons, causing widespread disruption to daily life, substantial financial losses for businesses, and serious impediments to the operations of government offices, schools, and hospitals;

WHEREAS, this followed an earlier disturbance in the country's power transmission system less than a year ago, that resulted in the NGCP placing the entire Visayas grid under yellow alert, the disengagement of multiple power plants, and power outages in the Visayas affecting the islands of Panay, Cebu, Negros, Leyte, Samar, and Bohol;

WHEREAS, on January 5, 2024, after the third day of the Panay-wide outage, the NGCP attributed the power interruption to the unscheduled maintenance shutdowns of the largest power plants on the island;

WHEREAS, local officials have called on Congress to investigate the power crisis on the island, reportedly caused by repeated delays in the completion of critical transmission projects by NGCP, such as the construction of lines linking Cebu, Negros and Panay;

WHEREAS, the Department of Energy ("DOE"), echoing the observations of the Independent Electricity Market Operator of the Philippines ("IEMOP"), also blamed the NGCP for the power outage, with the Energy Secretary saying in a press conference that the company could have prevented the system-wide power shutdown by proactively calling on the distribution utilities and electric cooperatives in Panay to reduce their load in order to prevent a sub-system-wide collapse;

WHEREAS, real-time monitoring of the Visayas grid using the NGCP's Supervisory Control and Data Acquisition ("SCADA") system should have allowed it to act immediately during the critical 2-hour period between the disruption of PEDC Unit 1, and the subsequent shutdown by other power plants;

WHEREAS, saying it was being used as a scapegoat, the NGCP renewed its call for a "whole-of-industry approach" to address the problem, and emphasized the need for improved planning to ensure sufficient generation per island, with a well-balanced mix of fuels and technology, as well as a review of the National Grid Code for the purpose of promoting the use of renewable energy sources and emerging technologies such as energy storage systems; **WHEREAS,** in its defense the NGCP claims that it in fact followed standard protocois and deilberately took no action, such as manual load dropping, because the grid voltage remained stable even after the unplanned maintenance shutdown of the biggest power plant, and even immediately before the shutdown of the rest of the island's power plants at 2:47 pm;

WHEREAS, NGCP's claim that the main cause of the island-wide blackout was the unplanned maintenance shutdowns of the biggest power plants in Panay also needs to be examined;

WHEREAS, considering that past investigations and probes have not yielded palpable results, an even more comprehensive, thorough, and extensive examination needs to be conducted, including a review of the concession agreement between the National Transmission Corporation ("TRANSCO") and the NGCP, as well as of the NGCP's 25-year legislative franchise itself; and

WHEREAS, the mechanisms established by the DOE to address incidents involving the simultaneous, unplanned shutdown of power plants and other generation assets also need to be reviewed and strengthened.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED TO CALL FOR THE SENATE COMMITTEE ON ENERGY TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION INTO ISSUES AFFECTING THE STABILITY AND RELIABILITY OF THE NATIONAL POWER GRID WHICH RECENTLY LED TO A WIDESPREAD POWER OUTAGE AFFECTING ALL FOUR PROVINCES ON THE ISLAND OF PANAY AND THE ISLAND OF GUIMARAS.

Adopted.

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RISA HONTIVEROS Senator