

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session



672  
**HOUSE RESOLUTION NO. \_\_\_\_\_**

---

Introduced by **HON. ESTRELLITA B. SUANSING**

---

**RESOLUTION**

**DIRECTING THE COMMITTEES ON AGRICULTURE, ENERGY AND THE OTHER APPROPRIATE COMMITTEES OF THE HOUSE OF REPRESENTATIVES TO CONDUCT A JOINT INVESTIGATION, IN AID OF LEGISLATION, INTO THE SALE OF WATER BY CE CASECNAN WATER AND ENERGY CORPORATION, INC., A CORPORATION OPERATING A HYDROELECTRIC POWERPLANT AND IRRIGATION CONTROL FACILITY IN CENTRAL LUZON PARTICULARLY THE PANTABANGAN DAM AND RESERVOIR TO THE NATIONAL IRRIGATION ADMINISTRATION (NIA) FOR PURPOSES OF IRRIGATION TO ASCERTAIN THE VOLUME OF WATER DELIVERY, REVIEW THE EXORBITANT RATES OF WATER DELIVERY FEES PER CUBIC METER AND THE AVERAGE ANNUAL ENERGY GENERATION AND TO PROPOSE REMEDIAL MEASURES THEREOF**

**WHEREAS**, the National Irrigation Administration was created by virtue of Republic Act No. 3601, as amended, to expand irrigated farmlands in order to ensure the constant and abundant supply of farm commodities, increase the productivity of farmers and ultimately uplift the living conditions of farmers which consist of the large fraction of the Philippine society;

**WHEREAS**, CE Casecnan Water and Energy Company, Inc. is a hydroelectric power corporation operating a 150Mega Watt hydroelectric power plant and irrigation control facility in the Casecnan and Taan rivers located in Central Luzon particularly the province of Nueva Ecija under a Build-Operate-Transfer scheme with the National Irrigation Administration for a period of twenty (20) years commencing on December 11, 2001 and ending on December 10, 2021;

**WHEREAS**, the estimated volume to water delivery to the Pantabangan Reservoir by CE Casecnan is 801 MCM per annum while the average water delivery from 2001 to 2015 is 776 MCM at a water delivery fee equivalent to \$0.0738 or 3.45 per cubic meter in Philippine Peso;



**WHEREAS**, the Philippine Government through the National Irrigation Administration (NIA) pays an estimated amount of \$57,268,800 or 2.58 Billion in Philippine Pesos in water delivery fees annually to CE Casecnan;

**WHEREAS**, on the other hand, the average energy generated by CE Casecnan annually from the operation of the hydroelectric power plant is estimated at 450,000,000 KWH with a Guaranteed Energy Delivery of 19,000,000 KWH per month at a rate of \$0.1596 per KWH and an Excess Energy Delivery greater than 19,000,000 KWH at a rate of \$0.1509 per KWH. Indubitably, the estimated revenue of CE Casecnan from energy generation is \$71,820,000 or P3.23 Billion in Philippine Pesos paid by the government to CE Casecnan through the National Power Corporation;

**WHEREAS**, the National Irrigation Administration – UPRIIS entered into an agreement with First Gen Hydro Power Corporation for the operation and maintenance of the Pantabangan Dam and Reservoir. The said hydro power corporation uses the water for irrigation also for the generation of energy and pays water fees equivalent to P0.062 per cubic meter.

**WHEREAS**, the National Irrigation Administration (NIA) earns an average annual revenue of P105,400,000.00 from the water fees paid by First Gen Hydro Power Corporation whose annual energy generation is estimated at 310,218,978 KWH and an estimated annual revenue equivalent to P1.55B;

**WHEREAS**, the government pays waters fees to CE Casecnan at P3.45 per cubic meter while the National Irrigation Administration sells water to First Gen Hydro Power Corporation at a trifling and insignificant amount of P0.062 per cubic meter;

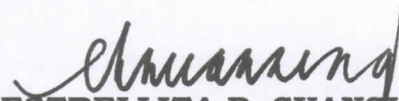
**WHEREAS**, the House of Representatives must exercise its oversight functions and investigate such huge disparity in the rates of water fees paid to CE Casecnan by the National Irrigation Administration and the water fees paid by First Gen Hydro Power Corporation to the National Irrigation Administration to ensure that the national government is not losing any income/revenue out of the contracts and agreements entered into by the National Irrigation Administration with the two (2) private corporations;

**WHEREAS**, the House of Representatives must ensure that the interest of the people especially those belonging to farming sectors are protected and guaranteed by means of proposing remedial measures that would prevent the National Irrigation Administration from entering into contracts and agreements grossly disadvantageous to the government.

**NOW, THEREFORE, Be it resolved by the House of Representatives** to direct the Committees on Agriculture, Energy and the other appropriate committees of the House of Representatives to conduct a joint investigation, in aid of legislation, into the sale of water by CE Casecnan Water and Energy Corporation, Inc., a corporation operating a hydroelectric power plant and irrigation control facility in central Luzon particularly the Pantabangan Dam

and Reservoir to the National Irrigation Administration (NIA) for purposes of irrigation to ascertain the volume of water delivery, review the exorbitant rates of water delivery fees per cubic meter and the average annual energy generation and to propose remedial measures thereof.

Adopted,

  
**ESTRELLITA B. SUANSING**  
1<sup>st</sup> District, Nueva Ecija