

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

HOUSE RESOLUTION No. 879



Introduced by

BAYAN MUNA Representatives CARLOS ISAGANI T. ZARATE,  
FERDINAND R. GAITE and EUFEMIA C. CULLAMAT,  
ACT TEACHERS Party-List Representative FRANCE L. CASTRO,  
GABRIELA Women's Party Representative ARLENE D. BROSAS  
and KABATAAN Party-List Representative SARAH JANE I. ELAGO

RESOLUTION

DIRECTING THE COMMITTEE ON ENERGY TO INVESTIGATE, IN AID OF  
LEGISLATION, THE SUDDEN BIG SPIKE IN MERALCO ELECTRICITY RATES  
AND BILLS DESPITE THE OVERCAPACITY OF ELECTRICITY SUPPLY

**WHEREAS**, the Manila Electric Company (Meralco) implemented an increase of P0.1050 per kilowatt-hour (kWh), from P8.8901 per kWh to P8.9951 per kWh last April 2020. The increase is equivalent to a P21.00 upward movement in the total bill of typical residential customers consuming an average of 200 kWh. Meralco claimed the increase was mainly due to the normalization of the universal charge (UC) following a one-time refund;<sup>1</sup>

**WHEREAS**, recently, while Luzon and NCR were already in lockdown, Meralco said it invoked the "force majeure" provision in its power supply agreements (PSAs) due to the very significant reduction in power demand of its service area during the enhance community quarantine. As a result, Meralco said it will reduce the fix charges that would have been charged to the consumers;<sup>2</sup>

**WHEREAS**, Meralco claimed that the generation charge would have increased by P0.0259 per kWh if not for the invocation of the "force majeure" provision in its PSAs;

**WHEREAS**, this May, however, Meralco claimed that there might be an increase in power rates, due to the rise in consumption of electricity because of the enhanced community quarantine (ECQ), since consumers who stayed home used more their appliances that consume more power, like air conditioners and refrigerators;

**WHEREAS**, several media reports quoted electric consumers complaining about their Meralco bills that have tripled or, for some, even quadrupled, despite their present low consumption, as well as in previous months. Such high and unconscionable electric bills, only added more anxiety to many, especially now when most people are in dire straits to survive the harsh effects of the crisis brought by the covid19 pandemic;

<sup>1</sup> <https://www.philstar.com/headlines/2020/04/12/2006721/meralco-increase-rates-month>

<sup>2</sup> <https://manilastandard.net/business/power-technology/323328/meralco-says-may-electricity-rates-down-by-p0-2438-kwh.html>

1 **WHEREAS**, according to President Rodrigo Roa Duterte's report to Congress dated May 4,  
2 2020, there is was in fact an "excess capacity over peak demands have been registered with  
3 Luzon only using 3,341 (29%) megawatts, Visayas only 858 MW (33%) and Mindanao 878 MW  
4 (35%);"

5  
6 **WHEREAS**, on May 11, 2020, Pres. Duterte also reported that "major island grids exhibited  
7 excess capacity over peak demand with Luzon at 23% (2,683 MW), Visayas 28% (718 MW) and  
8 Mindanao at 30% (743 MW);"

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10 **WHEREAS**, Sec. 4 (i) of the RA 11469 or the Bayanihan to Heal As One Act authorized the  
11 President to exercise powers to "continue to enforce measure to protect the people from  
12 hoarding, profiteering, injurious speculations, manipulation of prices, product deceptions, and  
13 cartels, monopolies and other combinations in restraint of trade, or other pernicious practices  
14 affecting the supply, distribution and movement of food, clothing, hygiene and sanitation  
15 products, medicine and medical supplies, fuel, fertilizers, chemicals, building materials,  
16 implements, machinery equipment and spare parts required in agriculture, industry and other  
17 essential services, and other articles of prime necessity, whether imported or locally produced or  
18 manufactured;"

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20 **WHEREAS**, under Sec. 4 (u) of the RA 11469, Congress gave the President powers in order to  
21 "conserve and regulate the distribution and use of fuel, energy and power, and ensure adequate  
22 supply of the same;"

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24 **WHEREAS**, the Energy Regulatory Commission (ERC) is also mandated to penalize abuse of  
25 market power, cartelization, and anti-competitive or discriminatory behavior by any electric  
26 power industry participant and should have conducted its own investigation already;

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28 **NOW THEREFORE BE IT RESOLVED**, that the House of Representatives, through its  
29 Committee on Energy, to investigate, in aid of legislation, the sudden big spike in Meralco  
30 electricity rates and bills despite the overcapacity of electricity supply.

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REP. CARLOS ISAGANI T. ZARATE  
*Bayan Muna Partylist*

  
REP. FERDINAND R. GAITE  
*Bayan Muna Partylist*

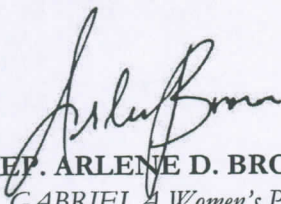
  
REP. EUFEMIA C. CULLAMAT  
*Bayan Muna Partylist*



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**REP. FRANCE L. CASTRO**  
*ACT Teachers Partylist*



**REP. ARLENE D. BROSAS**  
*GABRIELA Women's Party*



**REP. SARAH JANE I. ELAGO**  
*Kabataan Partylist*