

## Republic of the Philippines HOUSE OF REPRESENTATIVES **Ouezon City**



## EIGHTEENTH CONGRESS

First Regular Session

House Resolution No.

321

Introduced by

APEC Party-List Representative Sergio C. Dagooc Philreca Party-List Representative Presley C. De Jesus, Ako Padayon Pilipino Party-List Representative Adriano A. Ebcas, RECOBODA Party-List Representative Godofredo N. Guya

## **A RESOLUTION**

URGING THE COMMITTEE ON ENERGY TO, IN AID OF LEGISLATION, DIRECT THE GRID MANAGEMENT COMMITTEE THROUGH THE ENERGY REGULATORY COMMISSION TO REVIEW THE EXISTING OPEN ACCESS TRANSMISSION SERVICE RULES PARTICULARLY ON THE ISSUE OF IMPOSING PENALTIES TO VIOLATORS THEREOF

WHEREAS, Republic Act. No. 9136 also known as the "Electric Power Industry Reform Act of 2001" or EPIRA mandated the creation of the Energy Regulatory Commission:

WHEREAS, Section 43(b) of the said Act provides that the ERC shall promulgate and enforce a National Grid Code which shall include Performance Standards for the National Transmission Corporation O&M Concessionaire;

WHEREAS, following a public bidding conducted in December 2007, the TransCo concession was awarded to the National Grid Corporation of the Philippines which eventually secured a congressional franchise to operate the transmission network through Republic Act No. 9511;

WHEREAS, in 15 January 2009, TransCo turned over the management and operation of its nationwide transmission system to NGCP;

WHEREAS, EPIRA also mandates the ERC to enforce compliance to the Philippine Grid Code and to impose fines and penalties for any violation of their provisions;

WHEREAS, the Philippine Grid Code provides a mechanism through the Grid Management Committee which relieved the ERC from the tedious task of monitoring the day-to-day operation of the Grid;

WHEREAS, Chapter 3 of the PGC specifies the performance standard for the transmission of electricity that applies to the System Operator to ensure power quality and the efficiency and reliability of the Grid;

WHEREAS, the Rules, Terms, and Conditions for the Provision of Open Access Transmission Service (OATS Rules) describe the services provided by the party that operates the high voltage backbone Transmission System;

WHEREAS, the OATS Rules outline the responsibilities of the Transmission Provider and the functions of the System Operator as specified in the Grid Code and the Wholesale Electricity Spot Market Rules;

WHEREAS, there have reports of countless instances where the Voltage magnitudes in the grid were outside their allowance range of variation and Voltage Fluctuations cause Flicker that is outside the allowable Flicker Severity limits as provided for in the PGC that remain unpenalized;

WHEREAS, even in penalized, there is no penalty provision in the existing Grid Code that impose heavier penalties like the payment of compensation to the aggrieved party in terms of revenue loss and damages;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the House of Representatives, urging the Committee on Energy to, in aid of legislation, direct the Grid Management Committee through the Energy Regulatory Commission to review the existing open access transmission service rules particularly on the issue of imposing penalties to violators thereof.

Adopted,

REP. SERGIO C. DAGOOC

APEC Partylist

KEP. PRESLEY C. DE JESUS

PHILRECA Partylist

REP. ADRIANO A. EBCAS Ako Padayon Pilipino Partylist

REP. GODOFREDO N. GUYA RECOBODA Partylist