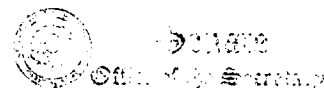



EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



20 APR 16 AM 11:30

SENATE
P.S. RES. No. 361

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Introduced by Senator WIN GATCHALIAN

A RESOLUTION DIRECTING THE SENATE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE EFFECT OF THE ENHANCED COMMUNITY QUARANTINE IN RESPONSE TO THE CORONA VIRUS DISEASE - 2019 ON THE ELECTRIC POWER INDUSTRY

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WHEREAS, due to the outbreak of the Corona Virus Disease 19 (COVID-19) drastic measures to contain the spread of the virus such as community quarantines and lockdowns were implemented by countries – such as Germany, Italy, France, the United Kingdom (UK), Poland, the Czech Republic, the United States (US), Canada, Saudi Arabia, Russia, China, South Korea, and Japan¹ – thereby causing a drastic reduction in transport, industrial, and commercial activities resulting to a decrease in energy consumption;²

WHEREAS, the lockdowns in Europe, in particular, are projected to cause a 33% decline³ in gas-to-power demand in Germany, Italy, France, and the UK. This in turn could adversely affect the operations, liquidity, resource capitalization, workforce, and supply chain of gas-to power industries.⁴ Similarly, lockdowns in the US caused a 7% electricity demand reduction in New York for the period of 19 to 25 March 2020, and a 30% price drop in Texas' electricity spot market which could potentially adversely affect the financial stability of energy generation companies;⁵

¹ United States Congressional Research Service. Global Economic Effects of COVID-19. By J.K. Jackson, et.al. (10 April 2020)
² Bloomberg New Energy Finance. Impact of Coronavirus Outbreak. By A. Izadi-Najafabadi. (24 February 2020).
³ Bloomberg New Energy Finance. COVID-19 could destroy 26% of Gas-to-Power in Europe. By V. Viskovic, et.al. (26 March 2020)
⁴ Price Waterhouse Coopers – United States. COVID-19: What it means for the energy industry. By B. Marandi, et.al. (25 March 2020)
⁵ Bloomberg New Energy Finance. COVID-19 Indicators: U.S. Power. By J. Daniai, et.al. (27 March 2020)

1 the suspension of electricity bill and DU payments and the corresponding
2 repercussions on power supply; and *Fourth*, the financial strategy of the government
3 to meet its obligations under the feed-in-tariff, stranded contract costs, stranded
4 debts, missionary electrification, and cash incentive for renewable energy developers
5 given the suspension of electricity bill payments and the possible impact on retail
6 rates;

7 WHEREAS, in preparing for these effects, it is necessary for Congress to
8 determine the necessity of a financial stimulus package for the power sector with the
9 end goal of ensuring a continuous and reliable supply of energy while protecting
10 electricity consumers;

11 NOW THEREFORE BE IT RESOLVED, as it is hereby resolved, to direct the
12 Senate Committee on Energy to conduct an inquiry, in aid of legislation, on the effect
13 of the enhanced community quarantine in response to the Corona Virus Disease - 2019
14 on the electric power industry.

Adopted,



WIN GATCHALIAN