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SENATE
P.S. RES. No. 740

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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 LONG-TERM SOLUTIONS TO POWER SUPPLY SHORTAGES ESPECIALLY DURING THE SUMMER SEASON WITH THE END IN VIEW OF ENSURING THE QUALITY, RELIABILITY, SECURITY, AND AFFORDABILITY OF ELECTRIC POWER SUPPLY IN THE COUNTRY

1 WHEREAS, Sections 5(a) and 5(d) of Republic Act No. (RA) 7638, as amended,
2 or the Department of Energy Act of 1992, mandate the Department of Energy (DOE)
3 to "[f]ormulate policies for the planning and implementation of a comprehensive
4 program for the efficient supply and economical use of energy" and to "[e]nsure the
5 reliability, quality and security of supply of electric power;"

6 WHEREAS, power outages especially in the summer season have been a
7 recurring concern for the past years. In relation thereto, the Senate Committee of
8 Energy has conducted a total of three (3) hearings since 2016;

9 WHEREAS, during the 16 August 2016 hearing of the Senate Committee on
10 Energy, the DOE reported power supply shortages and the issuance of yellow alerts¹
11 and red alerts² in July and August of that year due to forced outages, planned outages,
12 and derated plants which lowered the available reserves. As such, DOE offered

¹ Yellow alert refers to "a notice issued by the System Operator when the Primary Reserve is less than the capacity of the largest Synchronized Generating Unit or power import from a single interconnection, whichever is higher." (2016 Philippine Grid Code, Approved by Energy Regulatory Commission (ERC) on 5 October 2016 through ERC Resolution No. 22 Series of 2016).

² Red Alert refers to "an alert notice issued by the System Operator when the Primary Reserve is zero, a generation deficiency exists, or there is Critical Loading or Imminent Overloading of transmission lines or Equipment." (2016 Philippine Grid Code, Approved by ERC on 5 October 2016 through ERC Resolution No. 22 Series of 2016.)

1 medium and long-term measures to address the supply shortages which include
2 revisitation of the protocols on planned maintenance schedules, additional baseload
3 capacity, and the fast-tracking of construction of transmission lines;³

4 WHEREAS, despite these proposed solutions, another hearing was conducted
5 by the Committee on 25 April 2019, where DOE mentioned power supply shortages
6 and yellow alerts and red alerts in March and April 2019. According to DOE, these
7 were caused by several unplanned outages and derating of power plants caused by
8 technical or operational issues. DOE also said that it met with different power
9 generation companies and issued advisories reminding them of their mandate;⁴

10 WHEREAS, once again the issue of power supply shortage was heard by
11 Congress, but this time by the Joint Congressional Energy Commission, last 27 April
12 2021 to discuss the possibility of yellow alerts from March to June 2021 due to
13 extended outages and preventive maintenance of power plants. DOE gave assurances
14 that the country "will not encounter major challenges or any alerts that may result to
15 insufficiency in supply as far as our consumers are concerned;"⁵

16 WHEREAS, despite the guarantee of DOE, some areas of Luzon experienced
17 rotational brownouts on 31 May and 1 June 2021 due to red alerts. On 31 May 2021,
18 in particular, DOE's projected supply margin for the week is around 700
19 megawatts(MW) but the actual supply margin is just 215 MW.⁶ Moreover, even with
20 all these hearings on power supply shortages and the measures that DOE has
21 proposed to address the problem, the issue has been a recurring problem in the past
22 five (5) years;⁷

23 WHEREAS, it is crucial to hold DOE to account being the agency responsible for
24 ensuring security of energy supply in the country and its failure to address power
25 supply shortages since 2016. Furthermore, it is crucial for DOE to provide long-term
26 solutions to this problem and a specific timeline for these plans, to include hastening
27 the build out of new power plants, aggressively utilizing energy efficiency and
28 conservation, and contracting sufficient ancillary reserves. All these things are

³ Page 15-26. Senate Committee of Energy Hearing. 16 August 2016.

⁴ Pages 11-12. TSN. Senate Committee of Energy Hearing. 25 April 2019.

⁵ Pages 24-237. TSN. Joint Congressional Energy Commission Hearing. 27 April 2021.

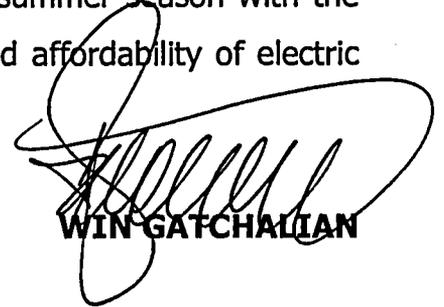
⁶ DOE Press Briefing. 31 May 2021

⁷ DOE Press Briefing. 31 May 2021 and NGCP (2021).

1 necessary to protect the public and the economy from losses due to power outages
2 and the resulting high prices of electricity due to limited power supply;

3 NOW THEREFORE BE IT RESOLVED, as it is hereby resolved, to direct the
4 Senate Committee on Energy to conduct an inquiry, in aid of legislation, on long-term
5 solutions to power supply shortages especially during the summer season with the
6 end in view of ensuring the quality, reliability, security, and affordability of electric
7 power supply in the country.

Adopted,



WIN GATCHALIAN