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**SENATE**  
P.S. RES. No. 78

RECEIVED BY:

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**Introduced by Senator WIN GATCHALIAN**

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**A RESOLUTION DIRECTING THE APPROPRIATE SENATE COMMITTEE TO  
CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE EFFECTS OF THE  
RUSSIAN INVASION OF UKRAINE ON THE COUNTRY'S ENERGY SECURITY  
AND AFFORDABILITY**

1           WHEREAS, on February 2022, Russian President Vladimir Putin authorized a  
2 special military operation in Ukraine with Russian forces launching missile and  
3 artillery attacks on major Ukrainian cities, and mobilizing ground, sea, and air troops  
4 towards Ukrainian territory;<sup>1</sup>

5           WHEREAS, the United States and the European Union, in response to the  
6 Russian attacks, have swiftly issued various measures imposing sanctions on  
7 different aspects of the Russian economy, including its oil and gas exports;<sup>2</sup>

8           WHEREAS, on March 2022, the price of Dubai crude, hit USD 113.11 per  
9 barrel as markets became wary of the expected supply disruption brought about by  
10 the sanctions imposed upon Russia for its invasion of Ukraine;<sup>3</sup>

11           WHEREAS, four months since Russia commenced its military operations in  
12 Ukraine, world oil prices remain elevated above USD 100;<sup>4</sup>

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<sup>1</sup> Timeline: The first 100 days of Russia's war in Ukraine. Al Jazeera. 3 June 2022. Available at: <https://www.aljazeera.com/features/2022/6/3/timeline-the-first-100-days-of-russias-war-in-ukraine>. Accessed on 23 June 2022.

<sup>2</sup> Timeline: The first 100 days of Russia's war in Ukraine. Al Jazeera. 3 June 2022. Available at: <https://www.aljazeera.com/features/2022/6/3/timeline-the-first-100-days-of-russias-war-in-ukraine>. Accessed on 23 June 2022.

<sup>3</sup> US crude oil spikes to 13 year high of \$130 overnight, then gives up most of that gain. CNBC. 6 March 2022. Available at: <https://www.cnbc.com/2022/03/06/us-crude-oil-jumps-to-125-a-barrel-a-13-year-high-on-possible-western-ban-of-russian-oil.html>. Accessed on 23 June 2022.

<sup>4</sup> 3 reasons high oil prices are here to stay. CNN. 3 June 2022. Available at: <https://edition.cnn.com/2022/06/03/energy/oil-prices-what-next/index.html>. Accessed on 23 June 2022.

13 WHEREAS, coal prices have likewise experienced record increases reaching  
14 USD 462 per metric ton in March 2022 grounded on fears of disruption of coal  
15 supply given that Russia is the third largest coal exporter;<sup>5</sup>

16 WHEREAS, international crude oil price as evidenced by the Dubai Fateh index  
17 have since experienced a 30% increase prior to the commencement of Russian  
18 military operations in Ukraine when its price hovered at USD 83.11 per barrel in  
19 January 2022 to its May 2022 price of USD 108.32 per barrel;<sup>6</sup>

20 WHEREAS, the drastic increase in global oil and coal prices have reverberated  
21 across the domestic market with local pump prices experiencing consecutive weekly  
22 increases,<sup>7</sup> and prices of electricity dependent on coal generation also expected to  
23 increase;<sup>8</sup>

24 WHEREAS, the drastic increase in international crude oil is mirrored  
25 domestically with local pump prices of gasoline increasing by 22% from its January  
26 2022 price of Php 63.58 per liter to May 2022 price of Php 77.71 per liter, and local  
27 pump prices of diesel soaring by 49% from January 2022 price of Php 50.95 per liter  
28 to May 2022 price of 75.92 per liter;<sup>9</sup>

29 WHEREAS, global coal prices also significantly increased from its January  
30 2022 price of USD 222.75 per metric ton to its May 2022 price of USD 428 per  
31 metric ton or a 92% increase as measured by the Newcastle index;<sup>10</sup>

32 WHEREAS, the increase in domestic pump prices have led to jeepney drivers  
33 opting not to ply their usual routes,<sup>11</sup> and provincial bus and taxi operating only at  
34 20 to 30 percent capacity<sup>12</sup> which in turn has led to severe lack of available public  
35 transportation that can be utilized by the commuting public;<sup>13</sup>

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<sup>5</sup> Commodity prices soar to highest level since 2008 over Russia supply fears. Financial Times. 3 March 2022. Available at: <https://www.ft.com/content/5753f4dd-1e8e-4159-a4e4-d232e4ad50ed>. Accessed on 23 June 2022.

<sup>6</sup> Crude oil (petroleum) Dubai Fateh Monthly Price – US Dollars per barrel. Index Mundi. Available at: <https://www.indexmundi.com/commodities/?commodity=crude-oil-dubai>. Accessed on 27 June 2022.

<sup>7</sup> Another round of fuel price hikes await motorists on Tuesday. Inquirer. 20 June 2022. Available at: <https://business.inquirer.net/350755/another-round-of-fuel-price-hikes-await-motorists-on-tuesday>. Accessed on 23 June 2022.

<sup>8</sup> Meralco power rates to rise in June. BusinessWorld. 10 June 2022. Available at: <https://www.bworldonline.com/top-stories/2022/06/10/454196/meralco-power-rates-to-rise-in-june/>. Accessed on 23 June 2022.

<sup>9</sup> Data from DOE Oil Monitor available at: <https://www.doe.gov.ph/oil-monitor?withshield=1>. Accessed on 27 June 2022.

<sup>10</sup> Newcastle Coal Historical Data. Investing.com. Available at: <https://ph.investing.com/commodities/newcastle-coal-futures-historical-data>. Accessed on 27 June 2022.

<sup>11</sup> Jeepney drivers ask for commuters' understanding as gas prices soar. Philstar. 8 June 2022. Available at: <https://www.philstar.com/headlines/2022/06/08/2186967/jeepney-drivers-ask-commuters-understanding-gas-prices-soar>. Accessed on 23 June 2022.

<sup>12</sup> 26,000 provincial bus workers lose jobs due to rising fuel prices. Inquirer.net. 21 June 2022. Available at: <https://newsinfo.inquirer.net/1614229/26k-provincial-bus-workers-lost-job-amid-surg-ing-fuel-prices-senators-learn>. Accessed on 23 June 2022.

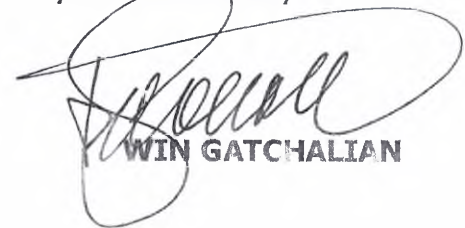
<sup>13</sup> Commuters suffer as many kings of the road relinquish crown. Inquirer.net. 23 June 2022. Available at: <https://business.inquirer.net/351076/commuters-suffer-as-many-kings-of-the-road-relinquish-crown>. Accessed on 23 June 2022.

36 WHEREAS, the global coal prices has led to some generation companies filing  
37 for petitions for fuel pass through with the Energy Regulatory Commission (ERC)  
38 despite fixed price Power Supply Agreements;

39 WHEREAS, there is thus a need for Congress to be apprised of the short,  
40 medium, and long-term effects and implications of the Russian invasion of Ukraine  
41 on the Philippine economy, in particular, the security of the country's supply of oil,  
42 and the effects of the continuously elevated global oil and coal prices on domestic oil  
43 and petroleum products as well as power generation from coal-fired power plants;

44 RESOLVED BY THE SENATE, as it is hereby resolved, to direct the appropriate  
45 Senate Committee to conduct an inquiry in aid of legislation on the effects of the  
46 Russian invasion of Ukraine on the country's energy security and affordability

Adopted,



WIN GATCHALIAN