Republic of the Philippines

HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

House Resolution No. 1370

Introduced by Representatives Presley C. De Jesus, Sergio C. Dagooc,
Godofredo N. Guya, and Adriano A. Ebcas

A RESOLUTION DIRECTING THE NATIONAL TRANSMISSION CORPORATION
(TRANSCO) AND NATIONAL GRID CORPORATION OF THE PHILIPPINES
(NGCP) TO UNDERTAKE NECESSARY ACTIONS FOR THE IMMEDIATE
INTERCONNECTION OF BATANGAS AND MINDORO TO THE LUZON GRID IN
ORDER TO ENSURE RELIABLE AND AFFORDABLE SUPPLY OF ENERGY IN THE
ISLANDS OF MINDORO AND PALAWAN

WHEREAS, Republic Act No. 9136 or the “Electric Power Industry Reform Act of 2001” was
signed into law on June 2, 2001, creating the National Transmission Corporation (TRANSCO)
which assumed the authority and responsibility of National Power Corporation (NPC) for the
planning, construction and centralized operation and maintenance of its high voltage
transmission facilities, including grid interconnections and ancillary services;

WHEREAS, on December 1, 2008, Republic Act No. 9511 granted the National Grid Corporation
of the Philippines (NGCP) a franchise to engage in the business of conveying or transmitting
electricity through high voltage back-bone system of interconnected transmission lines,
substations and related facilities;
WHEREAS, on January 15, 2009, the commencement date of the Concession Agreement, TRANSCO officially turned over the management and operation of its nationwide power transmission system to NGCP. The concession period is for 25 years and renewable for another 25 years;

WHEREAS, on August 02, 2011, the NGCP filed the instant application seeking the Energy Regulatory Commission's (ERC) approval of the Batangas — Mindoro Interconnection Project (BMIP), with prayer for the issuance of a provisional authority;

WHEREAS, on June 26, 2019, the NGCP submitted anew in compliance with the Commission’s 21 May 2019 order, refining specifics of the project to adapt with the changing needs of the Island;

WHEREAS, the island of Mindoro, comprising of two provinces, has been isolated from the Luzon main grid and plagued with power supply inefficiencies such as: shortage in generation capacity, inefficient delivery of transmission services, and high cost of electricity due to the absence of dependable transmission service provider and big generating plants that can cater to big demand of electricity in the island;

WHEREAS, its isolation made the entire island a focal point of Missionary Electrification program, which was subsidized from the added Universal Charge for Missionary Electrification (UC-ME) passed on to electric consumers;

WHEREAS, the Universal Charge for Missionary Electrification (UC-ME) is a non-bypassable charge which are passed on and collected from all end-users on a monthly basis to support power generation and associated power delivery systems in areas that are not connected to the transmission system;

WHEREAS, in 2019 alone, the UC-ME subsidy remitted to Mindoro amounted to PHP 3,257 billion or 39% of the total subsidy, while Palawan received PHP 3,636 billion or 43% of the total subsidy. Together, the two areas utilized a total of PHP 6,893 Billion pesos, or 82 percent of the entire UC-ME subsidy collection;
WHEREAS, the interconnection of Mindoro Island to the main grid via Pinamukan (Batangas) 230kV substation is also a stepping stone for the proposed interconnection of Mainland Palawan to the Luzon Grid;

WHEREAS, the access of Mindoro Island to the Main Luzon Grid will give the former an access to cheaper power from the generators connected in the latter;

WHEREAS, with access to reliable power supply in the island, Mindoro will develop into a more conducive area for expanding businesses in several sectors such as tourism, manufacturing, and other industries;

WHEREAS, due to the foregoing realities, it is an urgent necessity to connect Mindoro Island to the Main Luzon Grid as its peak demand continue to grow, projected to reach 443MW by 2040;

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED THAT, the House of Representatives directs the National Transmission Commission (TRANSCO) and National Grid Corporation of the Philippines (NGCP) to undertake necessary actions for immediate interconnection of Batangas and Mindoro to the Luzon grid in order to ensure the reliable and affordable supply of energy in the islands of Mindoro and Palawan.

Adopted,

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PHILRECA Party-List Representative

SERGIO C. DAGOOC  
APEC Party-List Representative

ADRIANO A. EBCAS  
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