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COMMITTEE MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	HB 3031	Speaker Velasco	Ordaining the development of the downstream natural gas industry, consolidating for the purpose all laws relating to the transmission, distribution and supply of natural gas	<p>The Committee, presided by its Senior Vice Chair, Rep. Juan Miguel Macapagal Arroyo (2nd District, Pampanga), agreed to create a technical working group (TWG) to draft a substitute bill, incorporating therein the amendments proposed by different stakeholders during the meeting.</p> <p>Rep. Wilter "Sharky" Palma II (1st District, Zamboanga Sibugay), co-author of HB 3031, was designated as head of the TWG.</p> <p>Based on the explanatory note attached to HB 3031, principally authored by Speaker Lord Allan Jay Velasco (Marinduque), it is vital to introduce a proper legislative framework that would provide favorable conditions towards establishing a healthy natural gas industry in the country. Natural gas is a clean, abundant, and accessible energy resource and the development of this sector will lead to the country's rapid economic growth while practicing sustainable development.</p> <p>Department of Energy's (DOE) Oil Industry Management Bureau Director Rino Abad expressed his support for the bill, but noted that the proposed amendments submitted by the DOE were not yet reflected in the bill.</p> <p>Rep. Palma assured Abad that DOE's recommendations will be considered in the final draft of the substitute bill to HB 3031.</p> <p>Expressing support for the proposed law were representatives from the Energy Regulatory Commission (ERC), Department of Environment and Natural Resources (DENR), Philippine National Oil Company (PNOC), Department of Finance (DOF), Shell Philippines, and First Gen Corporation.</p> <p>On the other hand, Rep. Carlos Isagani Zarate (Party-List, BAYAN MUNA) opined that there is no need for another law to regulate the exploration of natural gas. According to Rep. Zarate, Presidential Decree 87 (The Oil Exploration and Development Act of 1972) is already sufficient for this purpose. Further, he said that allowing foreign investors to participate in the exploration of natural gas in the country, as provided for in the bill, leaves the country open to possible undue interference by foreign governments, entry of cartels, and other elements that may have vested interests. The bill should clearly define the limits of foreign investors' participation in the exploration of natural gas to protect the interests of the country, Rep. Zarate said.</p> <p>Rep. Palma explained that PD 87 only regulates petroleum and not natural gas. He said that at present, there is only a DOE memorandum circular that regulates the exploration and development of natural gas. On the</p>

Continuation... Energy				<p>issue of the participation of foreign investors in natural gas exploration, Rep. Palma said that foreign investors are needed because the exploration of natural gas is capital intensive.</p> <p>Committee Secretary Efen Cortez informed the body that there is a provision in the bill that limits foreign investors' participation to downstream distribution process which involves converting natural gas into a finished product.</p> <p>Reps. Sergio Dagooc (Party-List, APEC) and Presley de Jesus (Party-List, PHILRECA) proposed that a safeguard mechanism be included in the bill that will ensure that consumers will not bear the burden of high generation charges in the natural gas industry.</p> <p>The Members and all stakeholders were requested to submit their respective proposed amendments or position papers on HB 3031.</p>
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TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
National Defense and Security (Technical Working Group)	Draft Substitute Bill to HBs 206 & 2246	Reps. Garcia (J.E) and Cabochan	Establishing a Philippine Self-Reliant Defense Posture (SRDP) Program and a national defense industry, repealing for the purpose PD 415 or the law authorizing the Secretary of National Defense to enter into defense contracts to implement projects under the self-reliant defense programs, and appropriating funds therefor	<p>The technical working group (TWG), chaired by Rep. Manuel Cabochan III (Party-List, MAGDALO), approved the draft Substitute Bill to HBs 206 and 2246. The Substitute Bill will be presented to the mother Committee for its consideration and approval in its next meeting.</p> <p>At the outset, Rep. Cabochan, who is also the author of HB 2246, said that the proposed law seeks to spur the growth of an independent national defense by establishing an SRDP Program that shall give priority to the development of the country's national defense capabilities including a competent domestic defense industry.</p> <p>Committee Secretary Roger Rigor informed the body that the recommendations of the resource persons have already been incorporated in the draft Substitute Bill, thus the TWG no longer invited other resource persons for today's meeting.</p> <p>Asked by the Chair to provide his final remarks on the draft Substitute Bill, Philippine Army Liaison to the House of Representatives Col. Danilo Estrañero gave some recommendations to improve the language or phraseology of Sections 3, 5, 6 and 7 of the draft Substitute Bill.</p> <p>Rep. Jose Enrique "Joet" Garcia III (2nd District, Bataan), author of HB 206, expressed his support to the draft Substitute Bill and said that he is amenable to the suggestions of Col. Estrañero.</p>

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