

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



20 MAR -9 A9 :28

SENATE
P.S. RES. No. 346

RECEIVED BY

Introduced by Senator WIN GATCHALIAN

A RESOLUTION DIRECTING THE SENATE COMMITTEE ON ENERGY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON INITIATIVES OF ENERGY AGENCIES AND STAKEHOLDERS TO ENSURE THE QUALITY, RELIABILITY, SECURITY, AND AFFORDABILITY OF ELECTRIC POWER SUPPLY DURING THE SUMMER SEASON IN ORDER TO AVOID YELLOW AND RED ALERTS LEADING TO POWER OUTAGES

1 WHEREAS, it is the policy of the State to ensure the quality, reliability, security,
2 and affordability of the supply of electric power as well as protect the public interest
3 as it is affected by the rates and services of electric utilities and other providers of
4 electric power;¹

5 WHEREAS, during summer season, peak demand increases by 5.45% in Luzon
6 and 3.19% in Visayas² because of heightened use of refrigerators and air
7 conditioners.³ Any forced or unplanned power plant shutdown at this time, together
8 with the increase in demand, leads to the thinning of reserves and possibly yellow⁴
9 and red⁵ alerts resulting to brownouts. For example, the simultaneous unplanned
10 shutdown of five power plants was identified as the reason for the power outages felt
11 by consumers during the summer of 2019;⁶

¹ Sec. 2(b) and 2(f) Republic Act No. 9136 or the Electric Power Industry Reform Act (Approved on 8 June 2001)

² From operations records of the National Grid Corporation of the Philippines (NGCP) from January 2013 to September 2019 comparing increases in demand in the months of March, April, and May.

³ Transcript of Joint Congressional Power Commission hearing on Solutions to Power Outages (2 May 2019). Page 44.

⁴ GO 6.4.1.1. of the Philippine Grid Code: Yellow alert is when either the Primary Reserve or Secondary Reserve is less than the requirement.

⁵ GO 6.4.1.1. of the Philippine Grid Code: Red alert is when there is Critical Loading or Imminent Overloading of transmission lines or equipment.

⁶ Transcript of Senate Energy Committee hearing on the spate of power outages in Luzon after the National Grid Corporation of the Philippines (NGCP) placed Luzon grid on "red alert" due to the simultaneous shutdown of five power plants (25 April 2019). Page 11.

1 WHEREAS, on 21 February 2020 the DOE announced that the Luzon grid may
2 have possible red alerts on the last week of April and third week of May 2020. DOE
3 estimates that due to reduced capacity from hydroelectric power plants, gross reserves
4 may start to go down by the 2nd week of April amounting to a decrease of 500 to 600
5 MW, with continuous decreases in reserves up to the 3rd Week of May of around 400
6 to 500 MW. Despite this, DOE said that there will be sufficient supply because the
7 decrease pertains only to reserves and not in the total installed and dependable
8 capacity which can adequately meet system demand;⁷

9 WHEREAS, DOE's proclamation, however, assumes that there will be no forced
10 or unplanned power plant shutdowns. In the event that forced or unplanned
11 shutdowns happen, this may lead to further decreases in reserves and possibly to
12 yellow and red alerts which eventually may result in power outages. Therefore, it is
13 important to discuss the status of preparations for the summer season in order to
14 prevent yellow and red alerts as well as to protect the interests of consumers against
15 price spikes and unwanted disruptions from livelihood or businesses due to power
16 outages;

17 NOW THEREFORE BE IT RESOLVED, as it is hereby resolved, to direct the
18 Senate Committee on Energy to conduct an inquiry, in aid of legislation, on initiatives
19 of energy agencies and stakeholders to ensure the quality, reliability, security, and
20 affordability of electric power supply during the summer season in order to avoid
21 yellow and red alerts leading to power outages.

Adopted,



WIN GATCHALIAN

⁷ Department of Energy. Power Sector Preparation for Summer 2020. Presented and submitted to the Senate Energy Committee on 21 February 2020.