

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

16th Congress
First Regular Session

House Bill No. **1250**



Introduced by **HON. ROGELIO J. ESPINA**

EXPLANATORY NOTE

The BILIRAN ELECTRIC COOPERATIVE, Inc. (BILECO) in 2003 constructed the electric distribution lines at Higatangan Island, Naval, Province of Biliran out of subsidy from the national government released through the National Electrification Administration. In 2006, the National Power Corporation-Small Power Utilities Group (NPC-SPUG) provided the generator set for the operation in a Memorandum of Agreement with BILECO and LGU Naval. After six (6) years of operation, BILECO finds it impossible to continue with its operation lest both the Cooperative and the consumers in the Island would suffer from losses high power rates respectively.

As an aftermath of the effects of losses, the BILECO Board of Directors in its Board Resolution No. 35, Series of 2012, requested NPC-SPUG to take over the operation of the generation facility in the Higatangan Island, in compliance with its mandate under Sec. 70 of RA 9136 and Rule 13 of the IRR which provides in part that NPC-SPUG shall be responsible for providing power generation and its associated power delivery systems in area that are not connected to the transmission.

The Technical Services Department of BILECO mapped two feasible options to wit: **1.) Construction and installation of submarine distribution line from Naval to Higatangan Island with a total estimated cost of the project is P153,414,774.00;** and **2.) Construction and installation of submarine distribution line with tapping point at Brgy. Jubay, Calubian, Leyte, franchise area of LEYECO 5 with a total estimated project cost of P61, 171,790.00.**

Although the second proposal would mean full control of the line will not rest to BILECO, it is far lower in terms of funding requirement. With the pressing need to stabilize the power distribution and rate of electricity in the island so as not to hamper the impending developments in the area, it is an imperious call for the construction and installation of submarine electric cable distribution line with tapping point at Brgy. Jubay, Calubian, Leyte to Higatangan Island. Surely, this will help address the power rate problem in the island.

Hence, the passage of this bill is earnestly sought.


ROGELIO J. ESPINA
Representative
Lone District, Biliran

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House Bill No. 1250

Introduced by **HON. ROGELIO J. ESPINA**

**AN ACT MANDATING THE CONSTRUCTION AND INSTALLATION OF
SUBMARINE ELECTRIC CABLE DISTRIBUTION LINE WITH TAPPING POINT
AT BARANGAY JUBAY, CALUBIAN, LEYTE TO HIGATANGAN ISLAND,
PROVINCE OF BILIRAN AND TO PROVIDE FUNDS THEREOF**

***Be it enacted by the Senate and the House of Representatives of the Republic
of the Philippines in the Congress assembled:***

- Section 1. The construction and installation of Submarine Electric Cable Distribution Line with tapping point at Barangay Jubay, Calubian, Leyte to Higatangan Island, Province of Biliran shall hereby be implemented.
- Section 2. For the purpose of compliance of this Act, the Department of Energy and/or the National Electrification Administration shall formulate and issue the necessary rules and regulations for the effective implementation of this Act, including the necessary support facilities.
- Section 3. The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.
- Section 4. This Act shall take effect upon its approval.
- Approved.