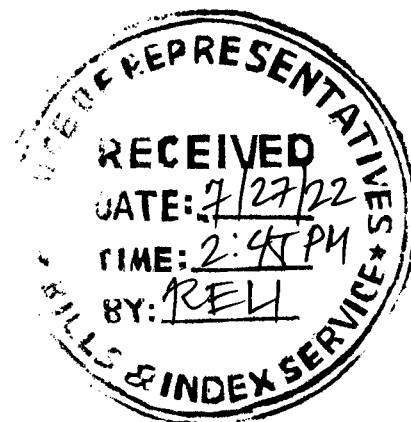


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Nineteenth Congress
First Regular Session

House Bill No. 2507



Introduced by Representative Gerardo "Gerryboy" J. Espina, Jr.

EXPLANATORY NOTE

In 2003, the Biliran Electric Cooperative, Inc. (BILECO) constructed electric distribution lines in the Island of Higatangan, a potential tourist spot island in the Municipality of Naval, Biliran Province. The construction was mainly funded from a government subsidy through the National Electrification Administration (NEA). In 2006, the National Power Corporation-Small Power Utility Group (NPC-SPUG) provided a generator set to start the electric distribution operation in the island, as per Memorandum of Agreement with BILECO and LGU Naval. After six (6) years of operation, BILECO is faced with serious challenges in continuing its operation considering the steadily increasing fuel prices coupled with the high maintenance cost of the existing generator. BILECO and its Member-Consumer-Owners (MCOs) in the island are burdened by high system losses and high generation rates.

In 2013, the Province of Biliran was declared as a Tourism Development Area (TDA) by virtue of the Republic Act 10409. "Endowed with natural beauty and historic significance" the island of Higatangan was included as one of the TDAs of the Province. Through this, the State ensured the Act's full implementation in supporting the establishment of Tourism Enterprise Zones (TEZ) and in mobilizing resources to establish institutional mechanisms so as to attract investments. Thus the urgency to provide the island with a reliable and sustainable source of electricity was necessary to spur economic development as soon as possible. In order to support the improvement of the island, BILECO introduced alternative options and solutions to improve its system, power quality at a lower cost of electricity.

As stipulated in the Joint Barangay Resolution No. 93, Series of 2019 entitled "*A Resolution Supporting the Construction and Installation of Submarine Electric Distribution Line in Higatangan Island to Attain Reliable, Quality and Efficient Electricity Supply*," there is a pressing need to address the problem on the power quality and reliability in two (2) barangays in Higatangan Island, BILECO, will work in partnership with the Local Government Unit (LGU) of Naval and the Provincial Local Government Unit in the implementation of the proposed bill on the construction and

installation of four (4.0) kilometers submarine electric cable distribution lines from Brgy. Jubay, Calubian, Leyte to Higatangan Island, Naval, Biliran.

Moreover, in BILECO Resolution No. 122, series of 2019 entitled "*A Resolution Endorsing to the National Electrification Administration (NEA) thru Administrator Edgardo R. Masongsong and Department of Energy (DOE) thru Secretary Alfonso G. Cusi the Joint Barangay Resolution No. 93 of Mabini and Libertad for the Construction and Installation of a Submarine Electric Distribution Line to Higatangan Island,*" thus, the pressing need to stabilize the power distribution and rate of electricity on 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 from Naval to Higatangan Island. Surely, this will help address the power rate problem in the island.

In view of the foregoing, the approval of this bill is earnestly sought.



HON. GERARDO "GERRYBOY" J. ESPINA, JR.
Representative
Lone District of Biliran

Republic of the Philippines
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House Bill No. 2507

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AN ACT
MANDATING THE CONSTRUCTION AND INSTALLATION OF A
SUBMARINE ELECTRIC DISTRIBUTION LINE TO HIGATANGAN ISLAND,
NAVAL, BILIRAN FROM BRGY. JUBAY, CALUBIAN, LEYTE AND TO
PROVIDE FUNDS THEREOF

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

SECTION 1. The construction and installation of Submarine Electric Cable Distribution Line from Brgy. Jubay, Calubian, Leyte to Higatangan Island, Naval, Biliran, shall hereby be implemented.

SEC. 2. For the purpose of compliance of this Act, the Department of Energy (DOE) and/or National Electrification Administration (NEA) shall formulate the issue the necessary rules and regulations for the effective implementation of this Act, including necessary support facilities.

SEC. 3. The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following the enactment into law and thereafter.

SEC. 4. This Act shall take effect upon its approval

Approved,