

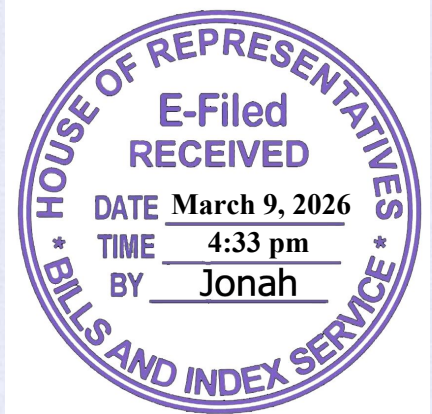


Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS

First Regular Session

House Bill No. 8380



Introduced by
APEC Party-List Representative Sergio C. Dagooc
PhilRECA Party-List Representative Presley C. De Jesus

EXPLANATORY NOTE

The Agus and Pulangui Hydroelectric Power Complexes are among the most important energy assets of the Republic of the Philippines. Located in Mindanao, these hydropower facilities collectively represent a significant portion of the island's renewable generation capacity and play a critical role in ensuring grid stability, energy security, and affordable electricity supply.

Under Section 47(f) of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (EPIRA), the Agus and Pulangui complexes were initially excluded from privatization. However, the same provision would allow their eventual privatization not earlier than ten (10) years from the effectivity of the law, leaving their future disposition to the discretion of the Power Sector Assets and Liabilities Management Corporation (PSALM Corp.), in consultation with Congress.

Recent developments and reports of potential privatization or concession arrangements have raised legitimate concerns regarding the long-term implications on electricity affordability, public control, and regional equity. The experience of full-scale privatization under EPIRA has demonstrated that while private sector participation has increased investment in generation, it has also resulted in market concentration and price volatility in certain regions.

Unlike other generation assets that may be fully commercial in character, the Agus and Pulangui complexes possess attributes of strategic national importance. Their continued public ownership ensures that government retains policy leverage in times of supply crisis, price spikes, or system instability. In an era marked by global energy shocks, climate volatility, and geopolitical uncertainty, preserving sovereign control over critical hydropower infrastructure is a matter of national interest.

This bill seeks to amend Section 47(f) of EPIRA to permanently exempt the Agus and Pulangui Hydroelectric Power Complexes from privatization. It now vests ownership, administration, and control in National Power Corporation (NPC), while expressly prohibiting any form of sale, concession, lease, joint venture, public-private partnership arrangement, or similar transfer to private entities.

The measure does not undermine the broader framework of EPIRA. Rather, it recognizes that certain assets—by reason of their strategic value, geographic importance, and public character—must remain permanently within public control. The amendment establishes legal clarity and removes ambiguity that could otherwise expose these facilities to future disposition through technical or contractual mechanisms.

At its core, this bill affirms a fundamental principle: strategic energy assets that underpin regional stability and national security must forever belong to the Filipino people.

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



REP. SERGIO C. DAGOOC

APEC Party-List



REP. PRESLEY C. DE JESUS

PhilRECA Party-List



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AN ACT

**AMENDING SECTION 47(f) OF REPUBLIC ACT NO. 9136, OTHERWISE
KNOWN AS THE "ELECTRIC POWER INDUSTRY REFORM ACT OF
2001," PERMANENTLY EXEMPTING THE AGUS AND PULANGUI
HYDROELECTRIC POWER COMPLEXES FROM PRIVATIZATION, AND
FOR OTHER PURPOSES**

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

SECTION 1. Section 47(f) of Republic Act No. 9136, otherwise known
as the "Electric Power Industry Reform Act of 2001", is hereby amended to
read as follows:

~~"(f) The Agus and the Pulangui complexes in Mindanao shall be
excluded from among the generation companies that will be initially
privatized. Their ownership shall be transferred to the PSALM Corp. and
both shall continue to be operated by the NPC. Said complexes may be
privatized not earlier than ten (10) years from the effectivity of this Act,
and except for Agus III, shall not be subject to Build Operate Transfer
(B O T), Build Rehabilitate Operate Transfer (B R O T) and other
variations thereof pursuant to Republic Act No. 6957, as amended by
Republic Act No. 7718. The privatization of Agus and Pulangui
complexes shall be left to the discretion of PSALM Corp. in consultation
with Congress;~~

1 “(F) THE AGUS AND THE PULANGUI HYDROELECTRIC
2 POWER COMPLEXES IN MINDANAO SHALL BE PERMANENTLY
3 EXCLUDED FROM PRIVATIZATION AND FROM ANY FORM OF
4 SALE, CONCESSION, LEASE, MANAGEMENT CONTRACT, JOINT
5 VENTURE, PUBLIC-PRIVATE PARTNERSHIP ARRANGEMENT, OR
6 ANY SIMILAR TRANSFER OF OWNERSHIP, CONTROL, OR
7 OPERATION TO PRIVATE ENTITIES.

8 “OWNERSHIP, OPERATION, AND CONTROL OF THE AGUS
9 AND PULANGUI HYDROELECTRIC POWER COMPLEXES SHALL BE
10 VESTED IN THE NATIONAL POWER CORPORATION (NPC). IT
11 SHALL HAVE NO AUTHORITY TO PRIVATIZE, SELL, CONCESSION,
12 OR OTHERWISE TRANSFER OWNERSHIP, OPERATION, AND
13 CONTROL OF THE AGUS AND PULANGUI COMPLEXES.

14 **Sec. 2. Separability Clause.** - If any provision or part of this Act is
15 declared invalid or unconstitutional, the remaining parts not affected shall
16 remain in full force and effect.

17 **Sec. 3. Repealing Clause.** - All laws, presidential decrees, executive
18 orders, letters of instructions, proclamations or administrative regulations
19 that are inconsistent with the provisions of this Act are hereby repealed,
20 amended, or modified accordingly.

21 **Sec. 4. Effectivity.** - This Act shall take effect fifteen (15) days after its
22 publication in the Official Gazette or in a newspaper of general circulation.

Approved,