



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 133

Submitted by the Committee on Energy on February 25, 2026.
Re: House Bill No. 8087
Recommending its approval in substitution of House Bill No. 4822
Sponsors: Representatives Jose C. Alvarez and Sergio C. Dagooc

Mr. Speaker:

The Committee on Energy to which was referred House Bill No. 4822, introduced by Representatives Ustadz Yusop T. Alano, Presley C. de Jesus and Sergio C. Dagooc, entitled:

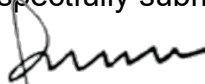
**“AN ACT
FOR THE CONDONATION OF UNPAID INTERESTS, PENALTIES,
SURCHARGES, AND UNREMITTED UNIVERSAL CHARGES ON
THE OVERDUE OBLIGATIONS OF THE BASILAN ELECTRIC
COOPERATIVE, INC. TO THE NATIONAL POWER
CORPORATION”**

has considered the same and recommends that the attached House Bill No. 8087, entitled:

**“AN ACT
GRANTING THE CONDONATION OF THE UNPAID INTERESTS,
PENALTIES, AND SURCHARGES ON THE OVERDUE
OBLIGATIONS OF THE BASILAN ELECTRIC COOPERATIVE,
INC. TO THE NATIONAL POWER CORPORATION”**

be approved in substitution of House Bill No. 4822 with Representatives Ustadz Yusop T. Alano, Sergio C. Dagooc, Presley C. de Jesus, Jose C. Alvarez, Yevgeny Vincente B. Emano, Julius Cesar “Jay” V. Vergara, Kristine Singson-Meehan, Gil “Kabarangay Jr” Acosta, Edwin Ongchuan, Rosalie Ang Salvame, Maria Rachel J. Arenas, Zaldy S. Villa, Joseph Kim C. Yu, Reynaldo P. Salvacion, Arthur C. Yap, Atty. Jennifer “Karen” A. Lagbas, Isidro D. Lumayag, Johanne Monich G. Bautista, King Collantes, Mark Anthony Santos, Agatha Paula Aguilar Cruz, Ma. Isabel L. Sagarbarria, Roy M. Gonzales, Eulogio “Leo” R. Rodriguez and Robert Nazal, as authors thereof.

Respectfully submitted,



JOSE C. ALVAREZ

Chairperson

Committee on Energy

THE HONORABLE SPEAKER

House of Representatives

Quezon City



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8087
(In substitution of House Bill No. 4822)

Introduced by Representatives Ustadz Yusop T. Alano, Sergio C. Dagooc, Presley C. de Jesus, Jose C. Alvarez, Yevgeny Vincente B. Emano, Julius Ceasar "Jay" V. Vergara, Kristine Singson-Meehan, Gil "Kabarangay Jr" Acosta, Edwin Ongchuan, Rosalie Ang Salvame, Maria Rachel J. Arenas, Zaldy S. Villa, Joseph Kim C. Yu, Reynaldo P. Salvacion, Arthur C. Yap, Atty. Jennifer "Karen" A. Lagbas, Isidro D. Lumayag, Johanne Monich G. Bautista, King Collantes, Mark Anthony Santos, Agatha Paula Aguilar Cruz, Ma. Isabel L. Sagarbarria, Roy M. Gonzales, Eulogio "Leo" R. Rodriguez and Robert Nazal

AN ACT
GRANTING THE CONDONATION OF THE UNPAID INTERESTS, PENALTIES,
AND SURCHARGES ON THE OVERDUE OBLIGATIONS OF THE BASILAN
ELECTRIC COOPERATIVE, INC. TO THE NATIONAL POWER CORPORATION

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

1 SECTION 1. All accumulated interests, surcharges, and penalties on the principal
2 obligations incurred by the Basilan Electric Cooperative, Inc. (BASELCO) to the
3 National Power Corporation (NPC) amounting to Two billion six hundred five million
4 (₱2,605,000,000.00), beginning from the year 1999 until the effectivity of this Act, are
5 hereby condoned, thereby perpetually relieving BASELCO from the payment of said
6 interests, surcharges, and penalties: *Provided*, That the amount paid by BASELCO
7 covering accumulated interests, surcharges, and penalties, shall be applied to and
8 deducted from the principal obligation of BASELCO.

9 SEC. 2. A one-time restructuring program is hereby authorized to be adopted by the
10 NPC in favor of BASELCO over the unpaid principal obligations: *Provided*, That once
11 a staggered payment scheme shall have been adopted between BASELCO and the

1 NPC on the principal obligations, BASELCO shall regularly submit to NPC its
2 performance improvement programs and the status of its implementation.

3 SEC. 3. Within sixty (60) days after the effectivity of this Act, NPC shall, in coordination
4 with the National Electrification Administration, promulgate the necessary rules and
5 regulations or the account restructuring program for the effective implementation of
6 this Act. Taking into account the legislative intent to grant the condonation of interests,
7 surcharges, and penalties and the one-time restructuring program, the said rules and
8 regulations shall not entail additional requirements that shall negate the purpose of
9 this Act; *Provided*, That subject to BASELCO's circumstances, NPC shall be
10 empowered to determine the guidelines on which BASELCO is eligible to request for
11 condonation and shall further require BASELCO to submit a Performance
12 Improvement Plan to ensure payment compliance: *Provided, further*, That the failure
13 of the NPC to promulgate the rules and regulations shall not prevent the
14 implementation of this Act sixty days after its effectivity: *Provided, finally*, That should
15 BASELCO neglect to pay its obligations on the restructured agreement, BASELCO
16 shall be penalized in accordance with the provision of the restructuring agreement with
17 NPC.

18 SEC. 4. Upon the effectivity of this Act, imposition of interests, penalties, and
19 surcharges shall be suspended, and all payments in accordance with the account
20 restructuring agreement shall be applied solely to principal amount until after all the
21 outstanding principal debt is fully settled.

22
23 SEC. 5. If any provision of this Act is declared unconstitutional or invalid, the other
24 parts or provisions hereof which are not affected thereby shall continue to be in full
25 force and effect.

26 SEC. 6. All laws, decrees, executive orders and issuances, rules and regulations, or
27 parts thereof inconsistent with the provisions of this Act are hereby repealed or
28 modified accordingly.

29 SEC. 7. This Act shall take effect fifteen (15) days after its publication in the *Official*
30 *Gazette* or in a newspaper of general circulation.

Approved,



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

COMMITTEE ON ENERGY

FACT SHEET

House Bill No. 8087
(In substitution of House Bill No. 4822)

AN ACT
GRANTING THE CONDONATION OF THE UNPAID INTERESTS,
PENALTIES, AND SURCHARGES ON THE OVERDUE OBLIGATIONS
OF THE BASILAN ELECTRIC COOPERATIVE, INC. TO THE
NATIONAL POWER CORPORATION

Introduced by: Representatives Ustadz Yusop T. Alano, Sergio C. Dagooc, Presley C. de Jesus, Jose C. Alvarez, Yevgeny Vincente B. Emano, Julius Cesar “Jay” V. Vergara, Kristine Singson-Meehan, Gil “Kabarangay Jr” Acosta, Edwin Ongchuan, Rosalie Ang Salvame, Maria Rachel J. Arenas, Zaldy S. Villa, Joseph Kim C. Yu, Reynaldo P. Salvacion, Arthur C. Yap, Atty. Jennifer “Karen” A. Lagbas, Isidro D. Lumayag, Johanne Monich G. Bautista, King Collantes, Mark Anthony Santos, Agatha Paula Aguilar Cruz, Ma. Isabel L. Sagarbarria, Roy M. Gonzales, Eulogio “Leo” R. Rodriguez and Robert Nazal

Committee Referral: **COMMITTEE ON ENERGY (Primary)**
Committee Chairperson: **REP. JOSE C. ALVAREZ**

OBJECTIVE:

- To condone all accumulated interests, surcharges and penalties on the principal obligations incurred by the Basilan Electric Cooperative, Inc. (BASELCO) to the National Power Corporation (NPC), beginning from the year 1999 until the effectivity of the Act.
 - ₱3,821,061,340.28 – the amount paid by BASELCO comprising of accumulated interests, surcharges, and penalties shall be applied to and deducted from the principal obligation of BASELCO

KEY PROVISIONS:

- Provides a one-time restructuring program to be adopted by the NPC in favor of BASELCO over their unpaid principal obligations

- Mandates that the NPC apply and deduct from the principal obligation the amount paid by BASELCO for the payment of accumulated interests, surcharges, and penalties
- Mandates BASELCO to regularly submit to NPC their performance improvement programs and the status of their implementation once the staggered payment scheme is adopted
- Mandates the NPC in coordination with the National Electrification Administration to promulgate the necessary rules and regulations for the effective implementation of the Act

RELATED LAWS:

- Republic Act No. 9136, Electric Power Industry Reform Act (EPIRA) of 2001
- Republic Act No. 10531, National Electrification Administration Reform Act of 2013