

Republic of the Philippines
Province of Iloilo
Municipality of Tigbauan
Office of the Sangguniang Bayan
Tigbauan Municipal Hall, Tigbauan, Iloilo 5021 Philippines
(033) 511-8532 sbtigbauan@yahoo.com



EXCERPT FROM THE MINUTES OF THE 40TH REGULAR SESSION OF THE HONORABLE SANGGUNIAN BAYAN, TIGBAUAN, ILOILO HELD AT THE S.B. SESSION HALL, TIGBAUAN MUNICIPAL BUILDING ON OCTOBER 13, 2021 AT 9:00 O'CLOCK IN THE MORNING

PRESENT:

HON. VIRGILIO T. TERUEL,	- Vice Mayor & Presiding Officer
HON. DENNIS T. VALENCIA	- S.B. Member
HON. NERI T. CAMIÑA	- S.B. Member
HON. MARLON R. TERUÑEZ	- S.B. Member
HON. REYNALDO E. TUMABOTABO	- S.B. Member
HON. JULIUS T. LEDESMA	- S.B. Member
HON. MA. GERRYLIN SANTUYO-CAMPOSAGRADO	- S.B. Member
HON. NORBERTO T. TURALBA	- S.B. Member
HON. JERRY T. TUARES	- Liga President
HON. DYOSSA MARIE T. TERUÑEZ	- SKMF President

ABSENT:

HON. SUZETTE MARIE HILADO-BANNO - S.B. Member (*Work from Home Arrangement*)

Resolution No. 2021-104

RESOLUTION URGING THE DEPARTMENT OF ENERGY (DOE) AND THE ENERGY REGULATORY COMMISSION (ERC) TO INTERVENE ON THE ISSUE ON HIGH POWER RATES OF ELECTRIC COOPERATIVES IN ILOILO PROVINCE, PARTICULARLY THE ILOILO 1 ELECTRIC COOPERATIVE, INC. (ILECO 1), AS AGAINST THE PRIVATE DISTRIBUTION UTILITY (DU) IN THE CITY

WHEREAS, on October 5, 2021, the Sangguniang Bayan (SB) Committee on Communication, Water and Energy of this Municipality tackled the present issue confronting the Electric Cooperatives (ECs) in Iloilo Province, particularly the Iloilo 1 Electric Cooperative, Inc. (ILECO 1) wherein the Municipality is under its existing franchise coverage;

WHEREAS, on the said meeting, the General Manager of ILECO1 was present to explain their side on the issues;

WHEREAS, the most pressing issue is the high power rates of Electric Cooperatives (ECs) as compared to the new private Distribution Utility (DU) in the city;

WHEREAS, the Committee was enlightened that the rates imposed by Electric Cooperatives (ECs) are composed of the following:

- Generation Charge
- Distribution, Supply and Metering (DSM) Charge
- Reinvestment Fund for Sustainable Capital Expenditure (RFSCE)
- Subsidies
- Government Taxes

WHEREAS, only the Distribution Supply Metering (DSM) charge goes to the Electric Cooperatives (ECs) to support their operations and the rest are pass-through charges especially the Generation Charge that takes up at least 65 to 70% of the rate;

WHEREAS, the Distribution Supply Metering (DSM) charge of ILECO 1 (Php. 1.6109/kWh) has not changed since 2012 and is lower than that of the new private Distribution Utility (DU) (Php. 1.7537/kWh);

WHEREAS, the present generation charge of ILECO 1 is a result of its blended rate from the various bilateral Power Supply Agreements (PSAs) it has entered into, ten (10) and twenty (20) years ago;

WHEREAS, when the Power Supply Agreements (PSAs) were made and entered into in the past, the prices gotten by the Coop were the best offers available during that time;

WHEREAS, the said Power Supply Agreements (PSAs) have gone through the scrutiny and approval of the Energy Regulatory Commission (ERC);

WHEREAS, some of the Power Supply Agreements (PSAs) entered into by ILECO 1 will be expiring in the near future, in the meantime however, the Coop is compelled to abide by the provisions of the said PSAs;

WHEREAS, in view of the recent events and the latest trend on technology and prices of electricity, the Committee seeks for and urges the intervention of the Department of Energy (DOE) and the Energy Regulatory Commission (ERC) on the high power rates issue by assisting ILECO 1 in making negotiations for a possible price reduction or re-pricing with its current power supply providers;

NOW, THEREFORE, on motion of HON. REYNALDO E. TUMABOTABO, Chairman Committee on Communication, Water & Energy and duly seconded by Hon. Dennis T. Valencia, Hon. Neri T. Camiña, Hon. Marlon R. Teruñez, Hon. Julius T. Ledesma, Hon. Ma. Gerrylin Santuyo-Camposagrado, Hon. Norberto T. Turalba, Hon. Jerry T. Tuares and Hon. Dyossa Marie T. Teruñez;


WHEREFORE, premises considered and for the benefit of our constituents who are also Member-Consumer-Owners (MCOs) of ILECO 1, be it:

RESOLVED, as the Sanggunian resolves to urge the Department of Energy (DOE) and the Energy Regulatory Commission (ERC) to intervene on the issue on High Power Rates of Electric Cooperatives In Iloilo Province, particularly the Iloilo 1 Electric Cooperative, Inc. (ILECO 1), as against the private Distribution Utility (DU) in the City.

RESOLVED FURTHER, to furnish copies of this Resolution to Iloilo 1 Electric Cooperative Inc. (ILECO 1), to the Department of Energy (DOE), the Energy Regulatory Commission (ERC) and all concerned for their information and guidance.

APPROVED.

CERTIFIED CORRECT:


MARLENE TAYO-NAVA
S.B. Secretary

ATTESTED:


ATTY. VIRGILIO T. TERUEL
Vice Mayor & Presiding Officer

HON. VIRGILIO T. TERUEL, LAWYER

Municipal Vice Mayor

Sangguniang Bayan Members:

Hon. Dennis T. Valencia
Hon. Neri T. Camiña
Hon. Marlon R. Teruñez

Hon. Suzette Marie Hilado-Banno, *M.D.*
Hon. Reynaldo E. Tumabotabo
Hon. Julius T. Ledesma, *O.D.*

Hon. Ma. Gerrylin Santuyo-Camposagrado, *Lawyer, MPA*
Hon. Norberto T. Turalba
Hon. Jerry T. Tuares, (LnB-Pres.)- *Civil Engineer*
Hon. Dyossa Marie Teruñez (SKMF-Pres.)

"Public office is a public trust. Public Officials must at all times be accountable to the people."