

BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

PROPOSED RESOLUTION No. 241

Bangsamoro Autonomous Region in Muslim Mindanao
Parliament
BILLS AND INDEX DIVISION
RECEIVED
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A RESOLUTION DIRECTING THE COMMITTEE ON ENVIRONMENT, NATURAL RESOURCES, AND ENERGY TO IMPLORE THE CREATION AND ESTABLISHMENT OF A "BANGSAMORO ELECTRIFICATION ADMINISTRATION" AS A CHARTERED GOVERNMENT-OWNED AND CONTROLLED CORPORATION EXCLUSIVELY OPERATING WITHIN THE BANGSAMORO AUTONOMOUS REGION

WHEREAS, pursuant to Article XIII, Section 2 of the BOL, it is the policy of the Bangsamoro Government to promote equitable and sustainable development in order to promote and improve the quality of life of its inhabitants, by taking into consideration the ecological balance and the natural resources that are available for its use and for the use of the future generations;

WHEREAS, pursuant to Article XIII, Section 36 of the BOL, the Bangsamoro Government is mandated to promote investments in the energy and power generation sector, domestic and international, public and private, in the power sector industry in the Bangsamoro Autonomous Region;

WHEREAS, the electrification rate in the entire Mindanao islands, is only at 86.39 percent due to the low electrification level of its electric cooperatives;

WHEREAS, as to the Rural Electrification Supply in BARMM, as surveyed by NEA in 2020, only 248,551 households are being served out of 355,042 homes. A count of 106,491 households or 29.99% thereof remained without an electricity source, the majority of which are located in Basilan, Lanao del Sur, and Sulu provinces;

WHEREAS, the Bangsamoro Autonomous Region has been confronted with a longstanding electric power crisis encountered by its legacy electric cooperatives namely, *Lanao del Sur Electric Cooperative Inc.*, *Basilan Electric Cooperative Inc.*, *Cagayan de Sulu Electric Cooperative Inc.*, *Maguindanao Electric Cooperative Inc.*, *Siasi Electric Cooperative Inc.*, *Sulu Electric Cooperative Inc.*, and *Tawi-tawi Cooperative Inc.*;

WHEREAS, among the operational dilemma encountered by electric cooperatives in BARMM resulting in energy losses are due to the following: *Aging of equipment; Lack of budget for operation, maintenance, and rehabilitation works of power distribution facilities; Lack of NGCP power substation; Damaged distribution lines due to calamities; Right-of-Way issues; Poor collection efficiency with consumers; and Outstanding debts with PSALM;*

WHEREAS, the BARMM's seven electric cooperatives are subject to devolution or transition by the National Electrification Agency (NEA) to the Bangsamoro Government pursuant to the R.A. 11054;

WHEREAS, during the transitory period, the NEA created a Special Concerns Office (SCO), which continually heads and supervises the BAR's electric cooperatives, extending technical expertise, support, and administrative assistance since the BARMM is yet to establish its NEA counterpart office/agency;

WHEREAS, in January 2023, various Philippine energy cooperatives (FRECOR 8, CEVECA, BATELEC I, and II, CRECA), through NEA and pursuant to their Corporate Social Responsibility Program, initiated efforts of donating electric meters, with an estimated value of Sixty Million (60M) pesos, to aid BARMM's electric cooperatives, particularly LASURECO and MAGELCO, and address their outstanding financial difficulties with the Power Sector, Assets and Liabilities Management Corporation (PSALM) and other issues incident thereto;

WHEREAS, it is highly for BARMM to impose an electrification administration committed to strengthening the electric cooperatives to the ideals of the Rural Electrification Program;

WHEREAS, the electrification administration shall be the prime mover in the rural electrification sector exclusively operating within the BARMM areas by providing quality financial, institutional, and technical services to its Electric Cooperatives and promoting equitable and sustainable development to BARMM;

WHEREAS, Article XIII, Section 36 of the BOL provides that the **Bangsamoro Government may assist electric cooperatives operating exclusively in the Bangsamoro Autonomous Region** in accessing funds and technology to ensure their financial and operational viability. Assistance may be in the form of restructuring of debts, with rehabilitation and efficiency improvement measures based on a set of clear time-bound operational reform programs;

WHEREAS, Article X, Section 30 of the BOL empowers the Parliament, in coordination with the National Government, **to create a government-owned and controlled corporation**, in compliance with Republic Act No. 10149 and Batas Pambansa Blg. 68;

WHEREAS, under Article VI, Section 7 of the BOL, the Intergovernmental Energy Board (IEB) was thereby created to resolve all matters pertaining to energy and power generation. **The IEB shall be composed of representatives from the Bangsamoro Government's respective energy regulatory commissions and electrification administrations;**

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED,

That the Committee on Environment, Natural Resources, and Energy IS HEREBY DIRECTED TO IMPLORE the creation and establishment of a "Bangsamoro Electrification Administration" as a chartered Government-Owned and Controlled Corporation exclusively operating within the Bangsamoro Autonomous Region.


JAAFAR APOLLO MIKHAIL L. MATALAM
Member of Parliament