



Republic of the Philippines  
**PROVINCE OF ISABELA**  
City of Ilagan  
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## *Office of the Sangguniang Panlalawigan*

EXCERPT FROM THE MINUTES OF THE 87<sup>th</sup> REGULAR SESSION OF THE 10<sup>th</sup> SANGGUNIAN  
PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA  
ON JULY 13, 2021.

**PRESENT:**

FAUSTINO G. DY III	Vice Governor & Presiding Officer
DELFINITO EMMANUEL L. ALBANO	Member (1 <sup>st</sup> District) & Floor Leader
EMMANUEL JOSELITO B. AÑES	Member (1 <sup>st</sup> District)
ED CHRISTIAN S. GO	Member (2 <sup>nd</sup> District)
EDGAR R. CAPUCHINO	Member (2 <sup>nd</sup> District)
RAMON JUAN N. REYES, JR.	Member (3 <sup>rd</sup> District)
RANDOLPH JOSEPH P. ARREOLA	Member (3 <sup>rd</sup> District)
CLIFFORD R. RASPADO	Member (4 <sup>th</sup> District)
ABEGAIL V. SABLE	Member (4 <sup>th</sup> District)
FAUSTINO U. DY IV	Member (5 <sup>th</sup> District)
EDWARD S. ISIDRO	Member (5 <sup>th</sup> District)
ALFREDO V. ALILI	Member (6 <sup>th</sup> District)
MARCO PAOLO A. MERIS	Member (6 <sup>th</sup> District)
ANTONIO S. HUI	Member, PCL Federation President
DANTE G. HALAMAN	Member, LnB Federation President
DAX PAOLO C. BINAG	Member, SK Federation President
ADRIAN PHILIP S. BAYSAC	Member, Agricultural /Industrial Workers Labor Sector Representative
VENUS T. BAUTISTA	Member, Women's Sectoral Representative
GRETCHEN F. VALDEZ	Member, Indigenous Cultural Communities Sector Representative

### **RESOLUTION NO. 2021-27-01** Series of 2021

**A RESOLUTION EARNESTLY ENCOURAGING ISABELA II ELECTRIC COOPERATIVE (ISELCO II) TO AMEND THEIR POWER SUPPLY AGREEMENT WITH SMC GLOBAL POWER HOLDINGS AND ANDA POWER CORPORATION TO INCREASE THEIR CONTRACT CAPACITY WITH THE POWER SUPPLY PROVIDER AND TO INCLUDE A POWER REPLACEMENT PROVISION CLAUSE**

**Sponsor: HON. EDWARD S. ISIDRO**  
Chairperson, Committee on Power, Energy & Franchising

**WHEREAS,** Isabela II Electric Cooperative (ISELCO II) was organized and registered as a non-stock, non-profit electric cooperative with the National Electrification Administration (NEA) on February 25, 1978. Its organization was mandated by Republic Act No. 6038 which was enacted on August 4, 1969 and later amended by Presidential Decree No. 269 (PD 269), also known as the National Electrification Administration Charter, promulgated on August 6, 1973.

***Nagkaisa para sa Isabela***



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On June 22, 2007, ISELCO II also registered with the Cooperative Development Authority (CDA) by virtue of Republic Act No. 6938 (Cooperative Code) and Republic Act No. 6939 (Cooperative Development Authority Charter). ISELCO II is one of the two electric cooperatives providing electric service in the province of Isabela;

**WHEREAS**, San Miguel Energy Corporation (SMEC) is one of the largest power companies in the Philippines with a diversified portfolio utilizing a mix of coal, natural gas, and hydroelectric power plants. Its total capacity is 2,903 MW representing 22% of the Luzon grid and 17% of the National grid. These power assets are under Independent Power Producer Administrators (IPPAs) Agreements with PSALM, or are owned/ under joint-venture agreements and are classified as Independent Power Producers (IPPs);

**WHEREAS**, Anda Power Corporation (Anda) is a power and steam generation company that is fully operational since September 2016. Its 82-Megawatt Circulating Fluidized Bed Coal-Fired Power Plant is located in TECO Industrial Park, Bo. Bundagul, Mabalacat, Pampanga, Philippines. Anda is duly registered as an Ecozone Utilities Enterprise in Philippine Economic Zone Authority (PEZA);

**WHEREAS**, ISELCO II has an existing Power Supply Agreements with SMC Global Power Holdings and Anda Power Corporation which was duly approved by the Energy Regulatory Commission through joint application;

**WHEREAS**, due to the clamor of member consumers of the sudden spike of their electric bills and the frequent occurrence of power outages, this Honorable Body conducted a Legislative Inquiry on the said issues;

**WHEREAS**, during the conduct of the Legislative Inquiry, it was discovered that the reason behind for the high electricity bill and power outages was due to meager supply of electricity and due to the shutdown of power plant of their supplier, they were forced to buy from Wholesale Electricity Spot Market (WESM) which has higher rate than the contracted energy from the power supplier;

**WHEREAS**, it is of the opinion of this Honorable Body that their contract with the power suppliers are disadvantageous to ISELCO II which resulted to power outages and higher electricity rates in which the member consumers are the one who suffer because eventually ISELCO II will pass the said burden to the member consumers;

**WHEREAS**, this Honorable Body finds it necessary to amend their Power Supply Agreement (PSA) to increase their contract capacity and to include a power replacement provision clause that in case of shortage of power supply due to fortuitous event or force majeure, the Power Supply Provider (PSP) shall deliver and supply the contract capacity, whether from the power plant owned or operated by any of its affiliates, Wholesale Electricity Spot Market (WESM), or any other supplier, to ISELCO II and the latter shall purchase and pay the contract capacity at the contract price in order to ease the burden of the member consumers which will promote their general welfare;

**A RESOLUTION EARNESTLY ENCOURAGING ISABELA II ELECTRIC COOPERATIVE (ISELCO II) TO AMEND THEIR POWER SUPPLY AGREEMENT WITH SMC GLOBAL POWER HOLDINGS AND ANDA POWER CORPORATION TO INCREASE THEIR CONTRACT CAPACITY WITH THE POWER SUPPLY PROVIDER AND TO INCLUDE A POWER REPLACEMENT PROVISION CLAUSE**

**WHEREFORE**, premises considered, upon motion of Honorable Delfinito Emmanuel L. Albano, duly approved and seconded in a Session duly assembled, it was –

**RESOLVED, AS IT HEREBY RESOLVES, TO PASS A RESOLUTION EARNESTLY ENCOURAGING ISABELA II ELECTRIC COOPERATIVE (ISELCO II) TO AMEND THEIR POWER SUPPLY AGREEMENT WITH SMC GLOBAL POWER HOLDINGS AND ANDA POWER CORPORATION TO INCREASE THEIR CONTRACT CAPACITY WITH THE POWER SUPPLY PROVIDER (PSP) AND TO INCLUDE A POWER REPLACEMENT PROVISION COST**

**RESOLVED FINALLY**, that a copy of this Resolution be furnished to: General Manager David Solomon M. Siquian and its Board of Directors; and the Provincial Information Officer, Atty. Elizabeth C. Binag, for dissemination of this Resolution in appropriate social media platforms.

**Approved and Adopted, July 13, 2021.**

**I HEREBY CERTIFY TO THE CORRECTNESS  
of the foregoing Resolution:**

**ATTY. FRANCIS JAMES E. MEER**  
Secretary to the Sangguniang Panlalawigan

**ATTESTED/ APPROVED:**

**FAUSTINO G. DY III**  
Provincial Vice Governor & Presiding Officer