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Item No.:

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Sangguniang Panlalawigan

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SAMAR

L. Petilla

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nan,



SP- Jil (to forward Comm Chair on Energy)

Series of 2026 of the Sangguniang Panlalawigan, this province, for your information.

Very truly yours,

By the direction of the Body:

[Signature]
ATTY. JOSE CRISOSTOMO Y. GUADES
Secretary to the Sangguniang Panlalawigan





Tanggapan ng Sangguniang Panlalawigan

Email add: osp_samar@yahoo.com/osp@samar.gov.ph
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EXCERPT FROM THE MINUTES OF THE 55th REGULAR SESSION OF THE 18th SANGGUNIANG PANLALAWIGAN, THIS PROVINCE, HELD AT THE SESSION HALL CAPITOL BUILDING, CATBALOGAN CITY, SAMAR ON 04 AUGUST 2026.

RESOLUTION NO. 18-674-26

{Sponsored by: Hon. Beethoven M. Bermejo}

RESOLUTION EARNESTLY REQUESTING THE PROVINCIAL GOVERNOR OF LEYTE, HONORABLE CARLOS JERICO "ICOT" L. PETILLA, TO STRONGLY SUPPORT THE POSITION OF THE SANGGUNIANG PANLALAWIGAN OF SAMAR PROTESTING THE EXCESSIVE AND IRREGULAR WHOLESALE ELECTRICITY SPOT MARKET (WESM) PRICING, LINE LOSS AND CONGESTION CHARGES (LLCC), AND TO INTERVENE BY MOBILIZING A UNIFIED REGIONAL INTER-PROVINCIAL EXECUTIVE APPEAL TO THE OFFICE OF THE PRESIDENT, THE DEPARTMENT OF ENERGY (DOE), AND THE ENERGY REGULATORY COMMISSION (ERC) FOR THE URGENT REVIEW, INVESTIGATION, AND REVISION OF WESM OPERATIONS

WHEREAS, the Sangguniang Panlalawigan of Samar, as the highest legislative body of the province, stands as a vanguard for the socio-economic welfare, protection, and interests of its constituents against inequitable utility operations and economic burdens;

WHEREAS, the member-consumer-owners of the Samar I Electric Cooperative, Inc. (SAMELCO I) and Samar II Electric Cooperative, Inc. (SAMELCO II) have launched an official protest against the sudden, unprecedented, and exorbitant power billings issued by the Independent Electricity Market Operator of the Philippines (IEMOP) pertaining to their WESM transactions and LLCC;

WHEREAS, records show that these critical billing spikes occurred with severe frequency during the months of January, June, July, and August of the current year, 2026, surpassing the volatility and frequency recorded in prior fiscal years;

WHEREAS, the direct rate impact of these LLCC surged exponentially from over ₱1.00/kWh to as high as ₱4.00/kWh, precipitating severe public outcry from consumers, local businesses, and government officials who are simultaneously confronting the inflationary pressures of basic commodities and fuel prices;

WHEREAS, to establish the financial gravity of these charges, the total LLCC billings collected from the consumers of the Province of Samar for the specified periods of 2026 are structured as follows:

Electric Cooperative	January 2026	June 2026	July 2026	August 2026 (Preliminary)
SAMELCO I	₱23,398,666.56	₱14,283,337.46	₱32,697,749.44	₱23,225,420.92
SAMELCO II	₱37,533,530.35	₱32,724,527.22	₱60,832,584.69	₱43,287,059.71

WHEREAS, the current WESM pricing methodology is highly questionable because the market clearing price is uniformly dictated by the Marginal Plant—which consistently utilizes the highest, most expensive bidding generation source—thereby failing to reflect the actual, true cost of blended power generation as mandated under Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA) of 2001;

WHEREAS, the equity of the LLCC is further challenged by the fact that SAMELCO I and SAMELCO II are situated within Eastern Visayas (Region VIII), a region hosting the country's largest geothermal power plant with a reported capacity of 420 MW, which is vastly sufficient to satisfy the actual regional peak demand of approximately 270 MW;

WHEREAS, it is an established principle that end-consumers must not bear the financial brunt of grid congestion, since the operation, development, and optimal availability of the transmission grid are the statutory and institutional mandates of the National Grid Corporation of the Philippines (NGCP);

WHEREAS, SAMELCO I and SAMELCO II, in solidarity with the other affected electric cooperatives in Region VIII—including the Leyte II Electric Cooperative (LEYECO II), Leyte III Electric Cooperative (LEYECO III), Leyte IV Electric Cooperative (LEYECO IV), and Leyte V Electric Cooperative (LEYECO V)—have consistently sought administrative and regulatory interventions from national energy agencies to mitigate these adverse financial impacts;

WHEREAS, on July 17, 2026, the Federation of Rural Electric Cooperatives in Region VIII (FRECOR 8) formally adopted Resolution No. 2026-07-08, manifesting its strong protest against high generation costs and requesting a formal evaluation of WESM rules to shield consumers from unconscionable operational costs;

WHEREAS, IEMOP settlement data reveals that the cumulative LLCC billed to the eleven (11) electric cooperatives of Region VIII reached an all-time high of ₱572.9 Million in July 2026 alone, representing a staggering 107% increase from the ₱276.5 Million billed in June 2026;

WHEREAS, for the seven-month period spanning January to July 2026, the cumulative LLCC forced upon the electricity consumers of Region VIII has accumulated to a massive total of ₱1.55 Billion;

WHEREAS, this regional LLCC framework has proven highly volatile and disproportionately distributed, with July 2026 preliminary billings demonstrating specific rate spikes of up to ₱5.99/kWh for LEYECO IV, ₱5.81/kWh for SAMELCO II, and ₱5.31/kWh for LEYECO V, leading to an oppressive regional average LLCC rate of ₱4.03/kWh;

WHEREAS, the Honorable Carlos Jericho "Icot" L. Petilla, as the Provincial Governor of Leyte, a former Secretary of the Department of Energy (DOE), and an expert in power industry dynamics, possesses the unparalleled technical insight and leadership authority required to guide the region's local chief executives in formatting a decisive, strategic, and unified inter-provincial response against power market distortions;

NOW THEREFORE, on motion of **HON. BEETHOVEN M. BERMEJO**, duly seconded by the Body, in session duly assembled, be it-

RESOLVED, as it is hereby **RESOLVED**, to earnestly request the Provincial Governor of Leyte, Honorable Carlos Jericho "Icot" L. Petilla, to strongly support the position of this body and to collaborate with the Provincial Government of Samar in building an influential, expert-driven regional executive campaign against these unconscionable utility billings;

RESOLVED FURTHER, that the Sangguniang Panlalawigan of Samar respectfully appeals to the Honorable Carlos Jericho "Icot" L. Petilla to lead, co-spearhead, or endorse a joint inter-provincial executive appeal to the Office of the President, the Department of Energy (DOE), and the Energy Regulatory Commission (ERC) to enforce the following urgent interventions:

1. **Order the immediate, temporary suspension** of WESM operations pending a thorough review and revision of the WESM Rules that govern price discovery and the operational calculation of LLCC;

2. **Review and revise the mathematical formulation** of the LLCC to ascertain its lawfulness, transparency, and strict alignment with the "true cost of electricity" principle under the law; and
3. **Approve and implement immediate regulatory reliefs** to alleviate the severe financial strain imposed upon the consumers of Region VIII.

RESOLVED FINALLY, that a copy of this Resolution be immediately forwarded to the Honorable Carlos Jericho "Icot" L. Petilla, Provincial Governor of Leyte, for his preferential attention, fraternal endorsement, and active executive collaboration.

UNANIMOUSLY APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing Resolution.


ATTY. JOSE CRISOSTOMO Y. GADES
Secretary to the Sangguniang Panlalawigan

ATTESTED and CERTIFIED ADOPTED BY:


ABBIE JOY IRIGON-YULO
Assistant President Pro Tempore