NAGKAISA

PRESS RELEASE

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Workers call for reformatting of the power industry

The power industry needs not just a reboot but a major reformatting to better serve the country's current and future energy needs and to satisfy the people's clamour for affordable and sustainable power.

This, according to the labor coalition Nagkaisa, should be the new frame in seeking amendments or replacement to the failed Electric Power Industry Reform Act or EPIRA.

The group made this challenge as some of its leaders attended the Department of Energy's (DoE) consultations on EPIRA amendments while its members called for the law's scrapping in a demonstration held outside the Legends Hotel in Mandaluyong City.

"A bad law like EPIRA may need some amendments to address the current mess. But a wrong policy such as wholesale privatization can only be addressed by replacing it with a new one, a better one," stated Josua Mata, one of the convenors of Nagkaisa.

Mata, who is also the secretary general of the Alliance of Progressive Labor (APL) and Sentro, told the DoE that workers will engage the amendment process in Congress and at the same time work for its replacement when such is probable amid the incurability of EPIRA and the viability of other options.

Another convenor, Louie Corral of the Trade Union Congress of the Philippines (TUCP), said amendments are necessary on issues of cross-ownership; the generation being a 'non-public' utility, reforms in the ERC (composition and rate-setting methodology); privatization of the transmission system and the Agus-Pulangi hydro complexes in Mindanao; retail competition and open access; and on electric cooperatives, among others.

It can be recalled that in a petition letter submitted to President Aquino during the Labor Day celebration of 2012, Nagkaisa raised the following issues to the Executive, some of these require legislative actions:

- 1. Removal of oil and power from EVAT coverage;
- Stopping the indexation of/or pegging the prices of natural gas and geothermal steam to international prices of oil and coal;
- Stopping the ERC's implementation of Performance Based Rate (PBR) methodology as this allows
 power firms to increase rates in anticipation of future expansion and other capital expenditures; and,
- 4. Reforming the Energy Regulatory Commission (ERC).

The group also bats for the re-nationalization of the transmission lines and the permanent stay in the planned privatization of the Agus-Pulangi.

Partido ng Manggagawa spokesperson, Wilson Fortaleza, another convenor said the country and the people will not accept another 13 years of failed rule under EPIRA.

"It's time to rethink and come up with a new model of public power that is completely different from what the industry is, before and under EPIRA. Fortunately we are blessed with so much national potential to do that. It is only the government that thinks it can't be done without the prescribed track imposed by the ADB and World Bank," said Fortaleza. ###