

GMA 'wishy-washy' on PPA, opposition charges

President Arroyo was accused yesterday of being "wishy-washy" on the controversial purchased power adjustment (PPA) issue.

House Minority Leader Carlos Padilla (LDP, Nueva Vizcaya) and colleague Abraham Mitra (LDP, Palawan) made the accusation in reaction to Mrs. Ar-

royo's statement that opposition congressmen were to blame for the delay in the consideration of the proposed changes in the Electric Power Industry Reform Act (Epira).

At the same time, the opposition congressmen called for the equalization of the rates the National Power Corp. (Napocor) is charging its distributors nationwide so that the cost of electricity in Metro Manila can be reduced.

They made the proposal after learning that Napocor's rate for Metro Manila and other parts of Luzon is higher than that for Mindanao and the Visayas.

Padilla said a few days after Mrs. Arroyo certified Bill 4741, which contains the proposed Epira

changes, as urgent, she changed her mind by telling leaders of Congress that it was no longer urgent because she wanted lawmakers to carefully study the opposition-sponsored amendments.

"Our major amendments focus on reducing the PPA, which she wanted cut in the first place. But now she is telling us that this can wait until the next session of Congress in July," he said.

For his part, Mitra said the President should not blame the opposition for the supposed de-

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lay in the consideration of the Epira amendments.

"The minority-initiated amendments will effect a real and substantial reduction in the PPA, while the cut ordered by Mrs. Arroyo is in reality a deferred payment scheme," he said.

He added that the decrease that the President has ordered in Napocor's PPA will be paid in the future "by our children and grandchildren."

Under the Epira changes introduced by the opposition, con-

sumers won't pay for electricity that they don't use, is not delivered or is not generated. They used to pay for such power by way of the PPA.

In a recent House hearing, energy and Napocor officials could not tell what is the volume of electricity that it doesn't use but which it pays for, and for which it bills its customers.

But of the P48 billion that Napocor pays to so-called independent power producers (IPPs) annually, about 40 percent of P19.2 billion is for power that is not used, deliv-

ered or even generated.

"This means that if our amendments are adopted, the PPA will be reduced by at least 40 percent, and the cut won't be paid in the future," Mitra said.

IPPs that are not producing even a single kilowatt-hour of electricity won't be paid, he said.

He noted that at least two IPPs in Mindanao, Alsons (Alcantara and Sons) 1 and 2, are not generating electricity but are paid P48 million a month under the "onerous" IPP contracts that he said should be scrapped.