

SERIALS F.O.

GMA signs law, awards TransCo to private firm

By PAOLO ROMERO

President Arroyo has signed the TransCo Franchise Bill into law that would pave the way for the commercial operations of the national power grid under a private group.

Mrs. Arroyo signed Republic Act No. 9511 or "An Act Granting the National Grid Corp. of the Philippines (NGCP) a Franchise to Engage in the Business of Conveying or Transmitting Electricity Through High Voltage Back-Bone System of Inter-connected Transmission Lines, Substations and Related Facilities, and for Other

Purposes."

The granting of the franchise ended years of tedious effort by the government to privatize the power grid that is mandated by the Electric Power Industry Reform Act (EPIRA).

She signed the law on Dec. 1 without fanfare and prior announcements but Palace officials said there was nothing unusual about that.

"The President would not want such an important bill to lapse into law," Presidential Adviser for Political Affairs Gabriel Claudio told The STAR. "What's important is

that she signed it in recognition of the tremendous importance of the bill."

"But this is without prejudice to any reenactment of the signing with our congressional leaders," he said.

He said it is not easy to organize a ceremonial signing considering the tight schedule of the President and congressional leaders.

He said there have been several instances in the past where Mrs. Arroyo also signed vital bills without much ceremony and then later re-enacted the signing of

the laws.

The bill was supposed to lapse into law on Dec. 26.

Claudio also pointed out the numerous foreign trips of Mrs. Arroyo since October.

The law grants the same terms and conditions in the concession agreement previously granted to the National Transmission Corp. (TransCo).

The NGCP is composed of Calaca High Power Corp., the Monte Oro Grid Resources Corp., and the State Grid Corp. of China.

The NGCP was granted the franchise "to operate, manage

and maintain, and in connection therewith, to engage in the business of conveying or transmitting electricity through high-voltage back-bone system of interconnected transmission lines, substations and related facilities, system operations, and other activities that are necessary to support the safe and reliable operation of a transmission system, to construct, install, finance, manage, improve, expand, operate, maintain, rehabilitate, repair and refurbish the present nationwide transmission system of the Republic of the Philippines."

The franchise will be for 50

years and shall be subject to repeal or amendment by Congress "when the common good so requires," the law said.

"The Grantee shall not engage in any anti-competitive behavior including, but not limited to, cross-subsidization, price or market manipulation, or other unfair trade practices detrimental to the encouragement and protection of contestable markets," it said.

It said current Transco employees shall be given preference by the NGCP within 165 days over new job applicants in the hiring of the grantee of manpower requirements.