

Philippines

Extra High Voltage Transmission Line Project (Southern Luzon) (Stage I) (stage II)



Transmission tower

Outline of Loan Agreement

Loan Amount / Disbursed Amount	42,320 million yen / 32,000 million yen
Loan Agreement	May 1982 / September 1983
Terms & Conditions	Interest rate 3.0%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	November 1989 / December 1992

Project Outline

Extra High Voltage (EHV) transmission lines were constructed to connect the geothermal power plants in southern Luzon and northern Leyte to the metropolitan Manila area in response to growing demand for electricity in these regions.

Results and Evaluation

This project was based on the 10-year Power Development Plan (1981-90) of the Philippine government, and comprised the construction of two EHV transmission lines (500kV, approx. 322km) and substations at three locations in order to transmit the power being generated at newly developed geothermal power plants.

It was completed in July 1994, however, financial difficulties within the government resulted in the planned construction of the geothermal power stations being significantly delayed, and the planned generating capacity of the stations was reduced from 1,430MW to 790MW. Moreover, some sections were destroyed or suffered theft damage, and the condition of transmission infrastructure had remained unsuitable for effective usage.

The World Bank subsequently provided funds for the restoration of the transmission lines, and since 1998 power has been transmitted at 230kV, roughly half the planned level. It is also planned to boost transmission capacity to 500kV on one section.

The executing agency, the National Power Corporation (NPC), is currently working on strengthening the legislation and supervision of the facilities and cooperation with provincial governments in a bid to improve security.