



NEA initiates bold STEP towards electrifying 2.4-M households

Racing against time with limited resources at its disposal, NEA tweaked its action plans to endeavor to illuminate roughly 2.4 million homes that remain in the dark under the franchise areas of ECs nationwide.

NEA presented on May 16 its Strategized Total Electrification Program (STEP), which was tailored to meet the 100 percent household energization target of the Department of Energy (DOE) by 2020.

Incorporated in this latest initiative is a petition seeking government assistance to grant all service-oriented distribution utilities access to funds generated by the Universal Charge for Missionary Electrification (UCME).

The proposed measure aims to provide ECs, which are non-stock and non-profit by nature, enough wherewithal to develop energization projects and sustain their operations in far-flung and economically unviable areas.

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Misamis Oriental governor backs NEA chief in defending EC franchises

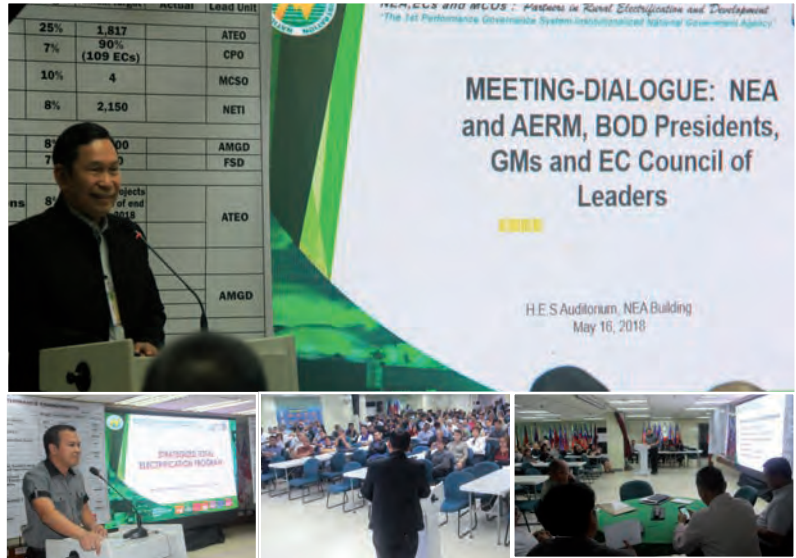


Electric cooperatives (ECs) found an ally in Misamis Oriental Governor Yevgeny "Bambi" Emano who publicly stated on May 18 that he would rather lean on them to power up communities in his province than the private investor-owned utilities.

This was consistent with the position of the National Electrification Administration (NEA), which for years has been asking for reforms in state laws and policies that place ECs at a competitive disadvantage against extremely rich power firms.

Emano declared his support in the presence of NEA Administrator Edgardo Masongsong himself during the 50th founding anniversary and 48th Annual

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NEA received COA unqualified audit opinion

NEA has received the highest rating audit from the Commission of Audit (COA) that validates the agency's efforts towards transparency in financial operations.

The state auditor rendered an unqualified audit opinion on the fairness of presentation of the NEA's financial statements for the calendar year 2017, according to the latest COA Independent Auditor's Report (IAR), in effect stating that the state-run agency's financial records are in conformance with the Philippine Public Sector Accounting Standards.

"We have audited the financial statements of the NEA... In our opinion, the accompanying financial statements present

fairly, in all material respects, the financial position of the NEA," the IAR said.

On May 22, OIC Supervising Auditor Glorina Suson signed the report that covered the agency's financial statements which comprise the financial position as of December 31, 2017, financial performance, statement of changes in equity and cash flows for the year ended.

Since 2007, NEA has been given an unqualified opinion by the state auditor.

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NEA hopes fast-tracking of vital energy projects will help ease burden on ECs

NEA expressed confidence that the full implementation of an executive order (EO), which hopes to curb red tape on crucial energy projects, will encourage more electric cooperatives (ECs) to venture into power generation.

Administrator Edgardo Masongsong made the statement after Energy Secretary Alfonso Cusi announced that the implementing rules and regulations (IRR) on EO 30 has been released.

Of the new connections recorded during the first two months, 34,580 are located in Mindanao, 34,356 in Luzon, and 24,388 in Visayas.

Signed by President Rodrigo Duterte last year, EO 30 was meant to streamline all regulatory procedures affecting Energy Projects of National Significance (EPNS) through the creation of an Energy Investment Coordinating Council (EICC).

With the IRR in place, Cusi said stakeholders can now expect prompt delivery of basic energy services. Masongsong welcomed this development, especially since a great deal of non-profit distribution utilities have many new projects at hand that are only waiting to be approved.

"With the 121 electric cooperatives having several embedded projects, this policy on the fast-tracking of energy-related projects would not only improve the lives of people in the rural areas, but would also introduce potential livelihood programs for them," the NEA chief said.

"Hopefully, the EO 30 through the EICC would likewise be supportive of electric cooperatives that wanted to construct and operate their own embedded generation facilities. I believe this could serve as a good avenue to reduce the costs of electricity in the country," he added.

Masongsong further mentioned that the early approval and resolution of energy-related projects will help cut "predevelopment costs" on the part of generation companies, which, in turn, scales down the rates of power supply to be contracted.

In a statement released to the media by the Department of Energy (DOE), Cusi said the IRR marks the end of slow-moving energy projects that are impeding the economic development of our nation because of rigid regulatory processes.

NEA initiates bold STEP ... *page 1*

In case this request is denied, a private sector participation can be entertained through possible amendments to the Qualified Third Party (QTP) mechanism of the DOE, according to NEA Deputy Administrator for Technical Services Artis Nikki Tortola.

The NEA will also ask the DOE to expand the scope of its Nationwide Intensification of Household Electrification (NIHE) program, hoping it can include the extension of secondary lines to distant houses, instead of cutting it short.

Likewise, the state-run agency will push for the streamlining and simplification of administrative requirements and processes with respect to permits and other clearances that need to be secured before any electrification related projects can proceed.

The NEA, moreover, vowed to facilitate the implementation of light detection and ranging (LiDAR) technology to determine which types of renewable energy resources are suitable to power up specific unenergized areas.

NEA is considering the option of bringing the households to the last tapping pole rather than construct to each and every far-flung household.



The DOE issued the official guidelines on the implementation of EO 30 last April 25 through Department Circular No. DC2018-04-0013. It was published in newspapers of general circulation on May 4, 2018.

Under the IRR, the processing of permits and licenses shall be done within a maximum period of 30 days for projects declared as EPNS. This starts from the date of submission of the complete documentary requirements to the relevant government agencies.

STEP is a holistic approach combining the merits of sitio energization, barangay line enhancement and household electrification programs of the government under a unified strategy to achieve the total electrification goal.

At its core, subsidies to EC undertakings, including future solar home and micro-grid systems to be put up in far-flung and off-grid communities will still continue should they remain largely ignored by the private sector.

The total electrification will not be a program in coordination with the ECs alone. It will be a composite program together with the private distribution utilities.

On May 21, all ECs submitted their updated comprehensive master plans to the NEA.

These were consolidated and forwarded to the DOE for its consideration on May 30 for the unified strategy on total electrification that will be presented to both Houses of Congress for budget deliberation.

ECs get Php830M worth of loans from NEA for electrification projects

NEA has extended Php830-million worth of loans to 34 electric cooperatives (ECs) over the period January to April this year to finance, among others, their rural electrification projects.

Of the total amount, Php42 million was released as calamity loans to three ECs for the rehabilitation of damaged power distribution lines caused by Typhoons Urduja and Vinta.

Calamity loan has a 10-year repayment term with a maximum grace period of one year. The interest is at 3.25 percent per annum.

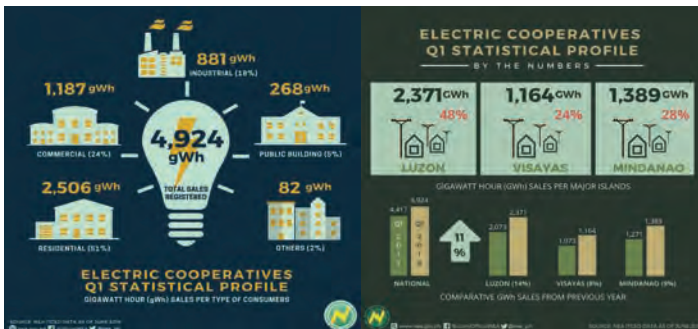
A total of Php396 million were borrowed by 24 ECs to fund their capital expenditure projects aimed at further improving the quality and reliability of electric service to the communities they serve; Php20 million to finance monthly shortfall on the settlement of power accounts with generation companies and the National Grid Corporation of the Philippines (NGCP); and Php145 million was likewise availed as a stand-by credit loan facility for power accounts to strengthen EC creditworthiness with generation companies.

A total of Php74-million worth of loans were granted to three power coops in Mindanao namely Misamis Oriental II Electric Cooperative, Inc. (Moresco II), Sultan Kudarat Electric Cooperative, Inc. (Sukelco), and Agusan del Norte Electric Cooperative, Inc. (Aneco) for the procurement of modular generator set.

Moreover, five ECs secured working capital loans aggregating to Php153 million. These coops are the Moresco II, Abra Electric Cooperative (Abreco), Sorsogon Electric Cooperative, Inc. (Soreco I), Camotes Electric Cooperative, Inc. (Celco), and Negros Oriental I Electric Cooperative, Inc. (Noreco I).

NEA will continue to provide financial support to the ECs in the form of short, medium and long term loans for them to become competitive and competent in the EPIRA environment.

EC sales up 11% in Q1 of the year



Power sold by ECs in the first quarter of 2018 have reached 4,924 gigawatt hours (gWh), an increase of 11% compared to the same period last year.

According to NEA's data, residential sector had been identified as the biggest consumer of electricity, accounting for 2,506 gWh or 51%, followed by the commercial sector with 1,187 gWh or 24%.

Electricity sales to the industrial sector came in at 881 gWh or 18%, public building electricity sales at 268 gWh or 5%, and others at 82 gWh or 2%.

In the latest NEA data showed that Luzon recorded the largest transacted electricity sales by 2,371 gWh or 48 percent while, 1,164 gWh or 24 percent in Visayas, and 1,389 gWh or 28 percent in Mindanao.

Compared to the same period in 2017, electricity sales by the ECs

NEA BIT Phase 3 Implementation Launched



NEA rolled out the third phase of the implementation of the NEA Business Intelligence Technology (BIT) system, signaling the completion of the project.

Speaking at the NEA BIT Phase 3 Go Live Program held at H.E.S. Auditorium, in Quezon City, on June 4, Administrator Edgardo Masongsong said the project was designed to address the current situation and progress towards strategies to assist the 121 electric cooperatives (ECs) in rural electrification.

"We celebrate that all FITP Modules are now implemented: the NEA BIT is complete for the Finance, Institutional, and Technical and Project Monitoring Modules -- paving the way to the new NEA wherein information derived from reports infused into the NEA are maximized to support our 7-point electrification agenda," he said.

Masongsong said the information generated from the web portal would assist the NEA in gaining timely and holistic analysis on the EC's current state and business operational performance.

"It is our tool in fulfilling our mandated mission under Republic Act 10531," the NEA chief said.

The NEA BIT Phase 3 covered Finance, Data Entry Templates (DETs) as the final addition to the Institutional and Technical DETs launched respectively in Phase I (August 14, 2017) and Phase II (February 19, 2018) which DETs are designed for generation to cater the data requirements of not only the NEA, but also for the Energy Regulatory Commission (ERC) and Power Sector Assets and Liabilities Management Corporation (PSALM), as well as other government entities requiring reports, facts and figures from the NEA and the ECs.

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improved by 11% to 4,924 gWh from 4,417 gWh driven by the increased in consumption within the three major islands.

In his statement, Administrator Masongsong welcomed this development as this reaffirmed the significance of the ECs in driving rural economic growth.

"These data show an upward trend in the demand for electricity in the rural areas, a positive surge in economic activity, including those in production, manufacturing and consumer trade being catered to and aptly provided by ECs in the past year," the Administrator said.

"These numbers, while showing a direct correlation between the services of the electrification sector and national growth, also validate our contention that ECs drive the rural economy and continue to immensely contribute to the country's impressive numbers, despite challenges, as far as economic fundamentals are concerned," the NEA chief added

NEA sets up task force to monitor power situation on May 14 elections



To ensure electric service reliability of the Sangguniang Barangay and Sangguniang Kabataan Elections, NEA created a task force that monitored the power situation in areas covered by ECs across the country.

Administrator Masongsong issued Office Order No. 2018-099 dated April 30, establishing "NEA Power Task Force Election (NPTFE) 2018." The task force's objective was to monitor the ECs' electric service before, during and after the Barangay and Sangguniang Kabataan elections on May 14.

It was composed of the NEA departments namely Engineering, Corporate Communications and Social Marketing Office (CCSMO), Information Technology and Communication Services, and Human Resources and Administration.

NEA Deputy Administrator for Technical Services Engr. Artis Nikki Tortola was designated as the oversight authority while Engineering Department manager Engr. Ferdinand Villareal took the lead of the task force.

The NPTFE 2018 rendered a 24/7 operation to help ensure the ECs' electric service are adequate and reliable in their respective coverage areas before, during and immediately after the May 14, 2018 Barangay and Sangguniang Kabataan Election.

Misamis Oriental governor ... from page 1

General Membership Assembly (AGMA) of the Misamis Oriental Rural Electric Service Cooperative, Inc. (Moresco-1).

In his speech, the governor recognized the crucial role of the agency, which implements the state-funded rural electrification program through its partnership with 121 ECs nationwide in pursuit of sustainable countryside development.

"The NEA is the one squaring up against big corporations who are out to challenge the franchises of electric cooperatives... Without it, profit-driven capitalists can easily grab the market away from electric cooperatives like Moresco-1," Emano said in Cebuano.

Emano, however, believes that most private firms are going to be selective in energizing communities.

Consequently, the provincial leader said he is happy to know that the current NEA administrator, who also hails from Mindanao, shares the same perspective. Masongsong is an ardent supporter of cooperative enterprises long before he was appointed to the agency.

NEA cited for compliance to '8888' hotline system



NEA was cited by the Office of the Cabinet Secretary (OCS) for its compliance with collaboration requirements for the implementation and operation of the 8888 Citizens' Complaint Hotline as provided in Executive Order No. 6 issued on October 15, 2016.

Administrator Masongsong received the Certificate of Collaboration from Undersecretary Dale Cabrera of the OCS-Strategic Action and Response Office (STAR) in a simple ceremony held Tuesday (June 19) at the NEA building in Quezon City.

"This is to formalize our engagement. We hope to have a good cooperation under the administration of President Rodrigo Duterte," Undersecretary Cabrera said.

The OCS-STAR recognized NEA for its designation of focal and technical persons, attendance in the orientation and simulation seminars, and enrollment of the agency's online account with the 8888 hotline system.

"We are elated by this recognition. This is a testament, not only to the NEA's adherence to the President's order to act with dispatch on public complaints but to the agency's culture of service which

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NEA BIT Phase 3 ... from page 3

The DETs submitted by the ECs via the NEA BIT are the official EC data submission and used as a single source of truth especially on critical data elements," Masongsong said.

"At the NEA, we need to challenge the data to truly reach the maximum potential of NEA BIT. This means deriving from the meaningful reports and analytics generated by the system to be able to provide strategic interventions to the electric cooperatives," the administrator added.

"With the use of this technology, we are given the avenue for the provision of timely interventions and to act decidedly, with dynamism and efficiency, towards the realization of our core services for our partner electric cooperatives," Masongsong said.

Funded by the World Bank with technical assistance from IT firm Indra, the NEA BIT was a result of the collaboration between the NEA and the ECs through discovery and design sessions back in 2015. A series of workshops had been undertaken on the use of the NEA BIT specifically on the DET for the preparation and submission of reports.

NEA convenes EC frontliners, urges them to aim for responsive service

Electric cooperatives (ECs) should not rest on their laurels and must continually strive to further enhance the quality of service to better respond to the ever-increasing needs and expectations of electricity consumers in remote and far-flung communities.



NEA chief Edgardo Masongsong emphasized this during the gathering of Area Managers and Consumer Welfare Desk (CWD) Officers of different ECs last for a two-day seminar-workshop at the NEA H.E.S. Auditorium in Diliman, Quezon City.

The NEA Chief, in his remarks, recognized the role of Area Managers and CWD Officers as vital frontliners in helping to promote and protect the rights and interests of the member-consumer-owners (MCOs) within their respective coverage areas.

In view of the recent challenges facing the electrification sector, the NEA chief said the ECs need to double its efforts to educate and empower the consumers, them being their greatest asset.

Administrator Masongsong likewise underscored the imperative for a strengthened movement building of the ECs to preserve the gains of

rural electrification, which over the decades has contributed significantly to social and economic development and reduction of poverty in the countryside.

The seminar-workshop, which was a collaborative effort between the Institutional Development Department (IDD) and NEA-EC Training Institute (NETI), brought together 226 participants, composed mostly of Area Managers, CWDOs and representatives of 99 ECs nationwide.

During the activity, topics such as the NEA's thrusts on MCO empowerment, the role of Area Managers and CWD Officers in attaining the rural electrification agenda and in addressing consumer complaints and requests, overview of revised key performance standard, and policy on customer satisfaction survey were covered.

The breakout session also gave an opportunity for the participants to assess the existing EC feedback mechanism, key issues and challenges, and identify potential strategies and interventions to be implemented to improve their work and better serve the rural communities.

Among the resource persons who shared their insights were Presley De Jesus, president of Philippine Rural Electric Cooperatives Association, Inc. (Philreca); Ret. Gen. Akmad Mamalinta, national chairman of National Center of Electric Cooperative Consumers, Inc. (NCECCO); David Solomon Siquian, chairman of Philippine Federation of Electric Cooperatives (Philfeco); Thomas Villaflor, chief executive officer of Rural Electrification Financing Corp. (REFC); and MCO specialist Edmundo Pacamalan, Jr.

Anchored on the theme "MCO Empowerment Towards Attaining a High Degree of Satisfaction and Loyalty," the seminar-workshop concluded last April 5 with the oath-taking of newly-elected officers of Area Managers Association of the Philippines (AMAPHI) and EC Consumer Welfare Officers of the Philippines Association (ECCOWPA).

Off-Grid Communities in Mindanao... from page 8

ORED initiated SHEP three years ago, but the program only took-off during the leadership of Administrator Masongsong through grant aids.

The project is divided into two bidding windows. Window 1 involves 10,000 SHS units while Window 2 involves 30,500 SHS, the procurement process of which is undergoing finalization.

Electrification data show there are 19,740 sitios across the country that are still without access to electricity with 1,702 identified as "off-grid," which are found mainly in Mindanao with 1,003,

followed by Visayas with 557, and Luzon with 142.

To electrify these off-grid areas, the NEA is undertaking two options: one is through SHEP and the other is through Strategized Sitio Electrification Program (SSEP), which targets clustered households that cannot be energized by either sitio electrification or barangay line enhancement programs

These are part of the NEA's wider strategy to accelerate the attainment of total electrification of the country within the term of President Rodrigo Duterte.

NEA cited for compliance ... from previous page

primarily puts the concerns of member-consumer-owners at the topmost of institutional priorities," Masongsong said.

This serves as "a mechanism where citizens may report their complaints and grievances on acts of red tape, as defined under Republic Act No. 9485 and other relevant laws, and/or corruption of any national government agency, government-owned or -controlled corporation (GOCC), government financial institution (GFI), and other instrumentalities of the government."

The complaint center operates 24/7 excluding national holidays and work suspensions.

NEA received COA unqualified ... from page 1

According to Administrator Masongsong, "the COA opinion is enough proof of the agency's steadfast resolve in adhering to sound resource management rules and compliance to duly-established accounting principles."

For 2017, NEA registered total assets of Php23.81 billion, and total liabilities of Php 28.55 billion and equity of (Php4.74 billion).

During the same year, the state-run agency also recorded an income of Php675.41 million with a net surplus of Php152.65 million for the year.



NEWS
AROUND
THE
ECS

IN FOCUS: NEA urges CDA to nullify registration of Daneco splinter group

NEA has reiterated its call on the Cooperative Development Authority (CDA) to formally cancel the certificate of registration that was unlawfully issued to the splinter group of Davao del Norte Electric Cooperative, Inc. (Daneco) to aid efforts to resolve and end the ongoing intramurals between the legally-recognized Daneco group working with the NEA and the illegitimate Daneco splinter group using its CDA registration as a shield against legal action.

The NEA official issued this statement in response to recent protests organized by desperate member-consumer-owners (MCOs) of the illegitimate Daneco faction who are in Manila in a bid to keep the illegal nature of their registration from officials of the CDA. The sacked Daneco officials had earlier made efforts to circumvent rulings by the Court of Appeals and the Supreme Court, that have held that the breakaway group’s signing up with CDA after hastily conducting a referendum and subsequent board elections were “null and void.”

The Daneco splinter group is composed of officials that had been dismissed—as a result of a NEA Administrative Committee ruling in 2012—on charges of grave misconduct and gross neglect of duty after entering into highly questionable and anomalous contracts.

NEA has nothing against ECs that choose to enlist as a stock cooperative under CDA or stock corporation under the Securities and Exchange Commission as long as they go through legitimate and proper procedures. Regardless of their affiliation, all power co-ops now fall under the supervision of the electrification agency by virtue of Republic Act 10531 or the NEA Reform Act of 2013.

However the breakway unit of Daneco continues to refuse to obey this law by continuing its illegal operations, which includes the collection of payments from its uninformed MCOs despite its absence of business permits from local authorities and recognition from power suppliers.

The illegal collection of the illegitimate Daneco faction is estimated to be more than Php700 M and this remains largely unaudited and unaccounted for, prompting the NEA to exert more efforts to address this issue.

The TFD-NDP has intensified its operations against people who are unduly capitalizing on the situation by putting up stringent measures that would bring electricity consumers back to the fold of Daneco, Inc.

On May 30, Administrator Masongsong through Energy Secretary Alfonso Cusi wrote a six-page letter to President Rodrigo Duterte to shed light on the Daneco controversy.

“It is the arduous desire of the NEA in compliance to its mandate of ensuring the operational viability of ECS, including Daneco, that the Supreme Court decision affirming the ruling of the Court of Appeals be implemented and put an end to the confusion sowed by the Daneco-CDA group,” said Masongsong.

“It is only then that the full rehabilitation of Daneco will be achieved and its MCOs enjoy the benefits of a stable and reliable supply distribution utility service, which they deserve and which this administration aspires for,” the administrator added.

NEA dialogue with the splinter group

Meanwhile, NEA held a dialogue las June 22 with members of the group that splintered from Daneco amid their continuing defiance of court rulings in favor of the NEA-backed Daneco.

Be that as it may, the NEA officials listened to what the Daneco breakaway group had to say, including their requests for the removal of the lawfully-recognized organization put in place by NEA in 2012, the recognition of their registration at the CDA as a stock cooperative, and permission to regain control of the management and operations of the distribution utility in Davao del Norte.



In response, Rivera and his fellow deputy administrators said they would relay their message to NEA chief Edgardo Masongsong. They also committed to look into the group’s other claims, such as the issuance of two electric bills that have been causing confusion among the power consumers.

At present, only the legitimate Daneco organization backed by NEA has been recognized by financial institutions like banks and government instrumentalities like the Bureau of Internal Revenue (BIR).

The judiciary had earlier ruled with finality on the issue with the Supreme Court affirming the Court of Appeals’ decision stating that the actions of the Daneco splinter group were void from the beginning and that subsequent moves by the same—such as the holding of a referendum—were likewise null and void.

In his statement, Administrator Masongsong assured all concerned parties that the rule of law shall apply with respect to the issue.

“Let me assure all the parties to this long-running feud that all measures being taken by the NEA is in accordance with its mandate and the rule of law, with the end in view of finally removing the member-consumer-owners in Davao del Norte and Compostella Valley in the cross-fire. We are cognizant that they are the ones most affected by this,” he said.

More households in Tablas Island, Romblon assured of 'bright' future

Residents of the six unenergized sitios in the three municipalities of Tablas Island in the province of Romblon will not have to wait for years as electricity may come to them sooner than later.



Administrator Edgardo Masongsong gave the assurance to include these areas to the sitios targeted for energization in 2018. The six sitios in the franchise area of the Tablas Island Electric Cooperative, Inc. (Tielco) are found in the municipalities of Odiongan, Looc, and Calatrava.

From 2011 to 2016, NEA allocated Php180.768 million to enable Tielco to energize 239 sitios under the Sitio Electrification Program (SEP), which benefitted 6,080 households.

Masongsong was the keynote speaker at the Rural Electrification Leaders' Convergence organized by Tielco on April 22 held at the Virginia Centurione Bracelli School Auditorium in Odiongan, Romblon.

Anchored on the theme "Reinforcing Member-Consumer-Owner's Involvement in Countryside Development thru Rural Electrification," the activity gathered some 2,000 participants, mostly officers of Barangay Power Association (BAPA) and MCO organizations.

Masongsong, in his message, spoke about the importance of the active involvement of all the MCOs in the affairs of their cooperative, especially given their central role in promoting and protecting the gains of rural electrification.

Formed in 1988, the BAPA in Tielco is credited for being instrumental in reducing the systems loss of the cooperative and improving its collection efficiency. As of February 2018, Tielco posted a 99.48% collection efficiency and 7.89% system loss.

NEA and ROMELCO Break Ground on 900 Kw Wind Turbine Project

Administrator Masongsong led the groundbreaking of a 900-kilowatt (kW) wind turbine power plant in Romblon, Romblon, which is seen to contribute significantly to the growing energy needs of the island.

The wind turbine farm is a joint venture between Romelco and Japanese firm Komaihaltec, Inc. with assistance from the Ministry of the Environment of Japan. The Php242 M project is expected to be completed this November.

In his speech, Masongsong commended Romelco, under the leadership of General Manager Rene Fajilagutan and Board of

Directors headed by president Diogenes Hilario Magallon, for continuing to lead by example in renewable energy (RE) projects.

The NEA chief described Romelco as a "trendsetter" for ECs in terms of RE development, citing the bold steps Romelco has taken to achieve the target it has ambitiously set for itself.

Romelco aims to increase the percentage of its indigenous sources of power from the current 45% to 90% by 2020.

The project is comprised of three wind turbines located in Barangays Bagacay, Lonos and Agnay in the Municipality of Romblon. Each wind turbine has a power generating capacity of 300 kW, totaling 900 kW.

Romblon Mayor Mariano Mateo agreed, saying that the future looks bright for the province as the wind turbine project will not only address the increasing power consumption of thousands of their residents but it will also attract tourists.

Meanwhile, Fajilagutan said 50% of the total cost of the project is funded through a grant from the Ministry of the Environment of Japan while the other half is shouldered by Japanese wind turbine manufacturer, Komaihaltec.

Once up and running, the Romelco executive said the wind turbines will be leased to them for four years at Php6.19 per kilowatt hour (kWh) without value added taxes.

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PCL chief wants more cooperatives to operate public utilities

An official from the Philippine Councilors League (PCL) has called for the protection and establishment of more cooperatives to turn the tide on the state of public utilities in the country.



PCL chairman and Davao City Councilor Danilo Dayanghirang said people should rally behind service-oriented utilities like the Agusan del Sur Electric Cooperative, Inc. (Aselco) instead of the well-heeled corporations dominating the industry.

"You must not let our electricity services be turned over to the rich (companies)," Dayanghirang told the stakeholders of Aselco during their 36th Annual General Membership Assembly (AGMA) in Prosperidad, Agusan del Sur on May 19.

"Public utilities like water and power systems are better left with ECs, not profit-driven companies," he said, echoing the same principles espoused by the NEA.

Speaking on behalf of Davao City Mayor Sara Duterte-Carpio, who was unable to deliver her keynote speech due to prior engagements, Dayanghirang recognized the valuable contributions of ECs to the growth of Mindanao.

"I would like to commend the people behind Aselco for giving their time and talents in the service of their consumers and the development of Agusan del Sur," the councilor said quoting the prepared statement of Mayor Duterte-Carpio.

Led by its General Manager Engr. Emmanuel Galarse and Board President Corazon Cullantes, Aselco operates in 13 municipalities, one city and 314 barangays of Agusan del Sur or 46 % of the Caraga region.

"We aspire (for) you to continue in partnership with Administrator Masongsong to deliver positive changes in our communities. As your fellow Mindanaoan, I am glad as to how far you have come," Dayanghirang added.



Mindanao gets bulk of electrification projects in 2018

A bigger share of electrification projects slated for 2018 will go to unenergized communities of Mindanao to bolster development in the region.

Administrator Masongsong said a Php1.817-billion budget has been allotted to provide electricity to 1,817 sitios across the country this year. Of this target, majority are located in Mindanao with 705 sitios, followed by Luzon with 560 sitios, and Visayas with 552 sitios.

The government's electrification policy is always cognizant of, and responsive to, the situation on the ground. Despite the best efforts of government, in partnership with electric cooperatives, a large chunk of Mindanao remains unelectrified.

This was the reason why Mindanao gets the lion's share of the government's funds that aims at extending electricity services to the unserved areas.

Masongsong said about Php25.352 billion would be needed to fully energize the remaining sitios within the term of President Rodrigo Duterte, adding that the average cost to energize a sitio is P1.4 million.

The NEA chief also cited key challenges in the implementation of the Rural Electrification Program, such as isolated areas, difficult terrain, right-of-way issues, peace and order problems, natural calamities, and administrative constraints.

To address the gap in electricity access, the NEA proposed some measures including the issuance of an executive order aimed at accelerating the energization of unserved, underserved and unviable areas; and amendments to the existing department circular on Qualified Third Party (QTP) policy.

The agency also proposed the continued subsidy for Sitio Electrification Program (SEP), Barangay Line Enhancement Program (BLEP) and Household Electrification Program, and streamlining and simplifying the administrative requirements and processes, such as permits and clearances.

Meanwhile, Sen. Sherwin Gatchalian, chairman of the Senate Committee on Energy, directed the Department of Energy (DOE), the NEA, the Energy Regulatory Commission (ERC), and the National Power Corporation (NPC) to come up with a unified strategy for household-level electrification.

Gatchalian recently filed Resolution 695 directing the appropriate Senate committee to conduct an inquiry, in aid of legislation, on the status of electrification in the country "to assess and possibly revise the national electrification strategy, with the end view of achieving total electrification for the welfare of the Filipino people and the development of the nation."

Under SEP Phase 2, the NEA and the ECs have completed the energization of some 1,474 sitios while 409 more are nearing completion. About 563 sitios were given electricity in Mindanao, 439 sitios in Luzon and 472 sitios in Visayas.

More households in Tablas Island ... from page 7

The wind project is among the many initiatives of Romelco aimed at contributing to the sustainable development of the province while helping curb the effects of climate change. Its other RE projects include a 2 MW biomass power plant and three more units of mini-hydro power plants.

Romelco acquired a 2.5 MW diesel power plant as initial support to the wind farm. On top of these, it also has 30-kW solar diesel hybrid generation system, which provides 24/7 electricity to some 900 households on Cobrador Island; and 1,350-kW mini hydro power plant in Cantingas, San Fernando, Sibuyan Island.

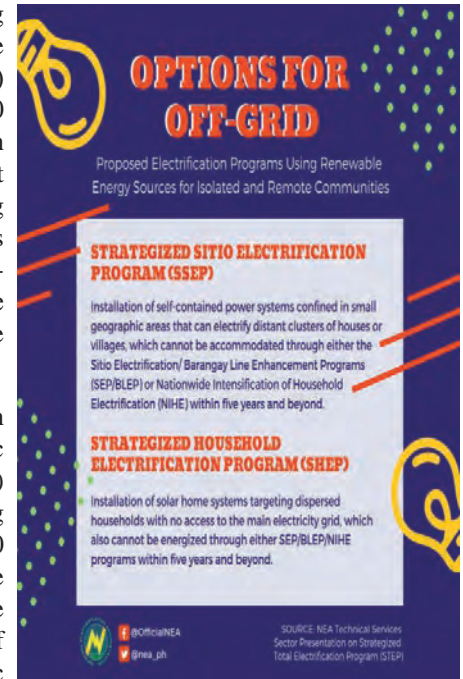
Off-Grid Communities in Mindanao Gain Access to Electricity

NEA is installing solar home systems (SHS) in 10,000 households in Mindanao as part of energizing communities situated in far-flung and remote parts of the region.

The installation of photovoltaic (PV) mainstreaming system in 5,000 households are located in the coverage areas of Cotabato Electric Cooperative Inc.

(Cotelco) and South Cotabato II Electric Cooperative Inc. (Socoteco II) in the first phase and another 5,000 households in Davao del Sur Electric Cooperative Inc. (Dasureco) and Sultan Kudarat Electric Cooperative Inc. (Sukelco) in the second phase.

The NEA Office of Renewable Energy and Development (ORED) head Ernesto Silvano said SHS is a viable option for dispersed households located in rural and remote areas that are too far or have no access to the electricity grid. For dispersed households that cannot be connected to the grid, this is the option. This is in line with the NEA's Strategized Household Electrification Program (SHEP), which is concentrated on off-grid.



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