



Rural electrification projects disrupted by coronavirus pandemic

The coronavirus disease 2019 (COVID-19) pandemic that emerged in March 2020 has immensely affected the work on some of the rural electrification projects funded by government subsidies.

Administrator Edgardo Masongsong admitted that the implementation of projects, such as the Sitio Electrification Program (SEP), experienced delays because of the continuing restrictions imposed to contain the spread of coronavirus disease in the country.

According to the Administrator, of the 841 sitios for electrification this year, 457 sitios were under construction based on the data provided by the agency's Total Electrification and Renewable Energy Development Department (TEREDD).

Meanwhile, around 187 sitios for energization were also expected to face delays this year due to problems in the delivery of construction materials and restrictions on the movement of people.

"Merong mga 187 sitios na hindi kaya dahil talagang nahuli na [at] walang available na mga materyales tapos nung nag-lockdown hindi makabyahe 'yung mga contractors. So ito 'yung mga concerns natin," Administrator Masongsong said.

Other projects like the completion of the off-grid solar project for 5,000 households was also disrupted due to delayed delivery of solar panels. This was



included in the P153-million subsidy allocation of the national government for the implementation of the solar photovoltaic (PV) mainstreaming project under the agency's Expanded Household Electrification Program.

Data from the NEA Information Technology and Communication Services Department showed there were still 1,834,777 unserved consumers within the coverage areas of 121 electric cooperatives (ECs) in the country as of this writing.###.

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PhP1.3B unused subsidies, dividends remitted to DOF; discontinued electrification projects to help bolster COVID-19 response

To support efforts to mitigate the impact of the coronavirus disease 2019 (COVID) pandemic, NEA remitted around P1.35 billion to the National Government (NG).

This, after the NEA Board of Administrators (BOA) approved the remittance of the P1,346,765,113 unused subsidies and dividends to the Bureau of Treasury, as requested by the Department of Finance (DOF).

Of the amount, P1.26 billion represents unutilized subsidy funds received in 2016 and earlier, and P85.71 million in dividends to the national government for 2019 operations.

The move was pursuant to Republic Act No. 11469 or the "Bayanihan to Heal as One Act."

Apart from this initiative, some P295-M unreleased funds for electrification programs was redirected to COVID-19 response.

NEA approved the discontinuance of P295-million worth of rural electrification programs this year. Said amount was composed of projects such as the P250-million appropriated for the implementation of the Electric Cooperatives



Power co-ops to assist education sector in shifting to 'new normal'

As the education sector shifts to a "new normal", NEA has directed the ECs to ensure reliable and sufficient electricity to households in rural communities.

Administrator Masongsong issued the statement as the Department of Education (DepEd) prepares to implement blended learning approach for students in the coming school year amid the coronavirus disease 2019 pandemic.

"Electricity will play an important role in DepEd's blended learning scheme, which includes the use of television, radio, and online platforms. Also, the

need of fiber optic cables in the power distribution systems is now very relevant to the recent pronouncements of DepEd," Masongsong said.

The NEA chief said power distributors like ECs can also be internet service providers in their respective coverage areas, as some co-ops, particularly those in Mindanao, already have existing fiber-optic cable infrastructure.

He also urged the ECs to consider setting up microgrids and solar home systems to connect remote communities without access to electricity. ###

Emergency and Resiliency Fund (ECERF) Act and the P45 million for the establishment of Customer Management and Quick Response System for selected ECs.

Republic Act No. 11039, also known as the ECERF Act, seeks an orderly and continuing means of financial assistance to ECs in the form of grants for the immediate restoration or rehabilitation of damaged infrastructure after a fortuitous event or force majeure.

These were the programs recommended by the Department of Budget and Management (DBM) for discontinuance to partially generate the required amount to help address the pandemic situation in the country. Under the 2020 General Appropriations Act (GAA), about P500 million was allotted to implement the ECERF Law, enacted in June 2018.

NEA backs extension to settle EC bills to power companies amid COVID-19 crisis

NEA endorsed the appeal of ECs to extend the deadline of their payment of dues and remittances to power generation and transmission companies indefinitely, or until the state of their business operations normalizes.

Administrator Masongsong sought the favorable action of state regulating agencies on this request in an official correspondence with the Department of Energy (DOE) and the Energy Regulatory Commission (ERC).

This was done when the collection efficiency of ECs dropped sharply amid the ongoing coronavirus crisis, which, in turn, affected their financial ability to settle their accounts with their power suppliers, transmission companies and other firms.

The situation was further complicated by the announcement of Malacañang to extend the enhanced community quarantine (ECQ) in Luzon by April 30, that prompted the NEA to exert its full support on the ECs' urgent appeal.

In his letter, Masongsong requested both DOE Secretary Alfonso Cusi and ERC Chairperson Agnes Devanadera for the payment period to be extended "not just for 30 days after April 14, 2020, but until such time that the operations of the ECs have normalized and stabilized."

To recall, the ERC issued an advisory on March 26 extending for 30 days, without interest and penalties, the payment of all fees due from March 15 to April 14 from the distribution utilities, including the 121 ECs, to the generation companies in light

of the COVID-19 pandemic.

The NEA chief, however, explained most of the ECs have already settled their monthly power billings due from March 15 to April 14, as power co-ops usually pay their dues ahead of schedule to avail of the prompt payment discount.

Administrator Masongsong said



the power co-ops utilized their collections from February 26 to March 24 to settle their bills during the first cycle, and the concern of the ECs then was the billing period from February 26 to March 25, which is due on April 25.

"The ECs will have difficulty in settling power bills covering this cycle due to limited collection from March 15 to April 14," he said, citing the 30-day extension granted as well to electricity consumers with bills due the same period in deference to the strict ECQ measures.

There were over 90 ECs in Luzon, Visayas and Mindanao that provided 30-day grace period for consumers to settle their electricity bills, on top of the cancellation of surcharges and power disconnections for those who failed to pay on time.

The NEA chief noted that the ECs mostly rely on residential consumers, as the extensive quarantines imposed across Luzon and other parts of the country forced the closure of big establishments, resulting to a significant reduction of power demand.

The NEA also recommended the approval of the ECs' other request, which is "to invoke the 'force majeure event' provision in their power supply agreements, as they cannot fully utilize the contracted capacity rate 100 percent during the crisis period.

"With this billing adjustment, the surge in the generation cost component, which will be passed on to consumers will be mitigated," Masongsong said, acknowledging the fact that the power co-ops' appeals will be beneficial for the electricity consumers as well.

On the other hand, the NEA chief urged all ECs to still remit a proportional amount collected from electricity users that are

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NEA responds to mitigate risks of COVID 19 pandemic

Just like any other organization, the NEA has been confronted with a lot of challenges brought about by the outbreak of the COVID 19 pandemic. It has posed great risks not only to people's health but also to the country's economy as well.

To be able to mitigate the risks of this global health crisis on its officials and employees and the Agency as a whole, NEA, through the CRFS, formulated a series of initiatives and mobilized and utilized available resources that could help lessen the impact of said unexpected occurrence.

Since the declaration of the Enhanced Community Quarantine (ECQ), NEA has endeavored to come up with strategies to ensure health protection of its workforce and to prevent the spread of the dreaded disease.

These initiatives were based on the directives of the National Government, the Department of Health (DOH), the Department of Energy (DOE), it being its supervisory agency, the local government unit (LGU), and others. Among NEA's initiatives are the following:

1) Formulation of Policies and Guidelines on:

a. Prescribing the Guidelines on the Use of NEA Vehicles under the "New Normal" Environment (May 21, 2020)

When Metro Manila was placed under MECQ, public transportation was not allowed, and some transportation services remained limited. In order to ensure the safety and well-being of the employees while continuously dispensing public service, these guidelines were formulated and approved to strengthen measures on the use of motor vehicles and drivers.

This was also aligned to the Civil Service Commission (CSC) Memorandum Circular No. 10 s. 2020 which urged government agencies to provide adequate transportation services for its employees once office-based work is allowed by the government.

b. Guidelines for Visitors and Contractors for the "New Normal" Environment in the Workplace (June 8, 2020)

This was in pursuance of DOH AO No. 2020-0015 dated 27th of April 2020, "Guidelines on the Risk-Based Public Health Standards for COVID-19 Mitigation" which aims to provide



With public transportations still not allowed to operate at full capacity, company vehicles are made available to address the transit needs of employees.

guidance for sectoral planning on the implementation of nonpharmaceutical interventions as minimum public health standards to mitigate the threat of COVID-19, DPWH DO No. 39 s. 2020 dated 19th of May 2020, "Revised Construction Safety Guidelines for the Implementation of Infrastructure Projects During the COVID-19 Public Health Crisis", and the Omnibus Guidelines on the Implementation of Community Quarantine in the Philippines dated 22nd of May 2020, which granted authority to this Office to adopt measures lawful and necessary to implement and enforce the minimum public health standards.

c. Guidelines on the Issuance and Use of Personal Protective Equipment (PPE) and Medical Supplies (June 8, 2020)

To protect the NEA employees from the risk of transmission of COVID-19, NEA procured the necessary PPEs and medical supplies for its employees during the "New Normal" of office operations.

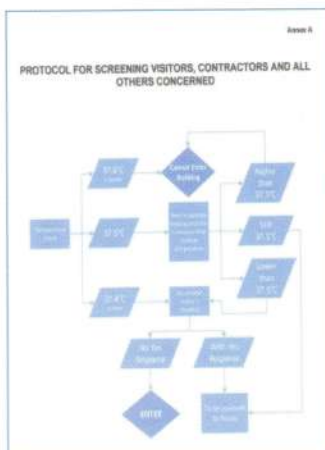
This set of guidelines was in compliance with Proclamation No. 922, "Declaring a State of Public Health Emergency Throughout The Philippines" on March 8, 2020 by President Rodrigo R. Duterte which directs to immediately act to prevent loss of life, utilize appropriate resources to implement urgent and critical measures to contain or prevent the spread of the disease in the Philippines.

Likewise, this was in consonance with Government Procurement Policy Board Resolution No. 06-2020 and Circular No. 01-2020 allowing all procuring entities to purchase medical equipment and supplies; NEA Office Order No. 2020-059 Providing for Minimum Health Standards for COVID-19 mitigation aligned with the Department of Energy Order No. 2020-04-0007 dated April 29, 2020; and Section 5.5 of Civil Service Commission Memorandum Circular No.10, dated May 7, 2020 that mandates all government agencies to implement minimum health protocols at all times, such as the wearing of face masks, taking of body temperature, and presence of sanitation stations.

2) Issuance of Memoranda and Advisories on the:

a. Continuation of the Present Workforce Arrangement (May 13, 2020)

NEA continued to adopt the combination of Work-from-Home



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and Skeleton (Skeletal) Workforce schemes until May 31, 2020 to ensure the uninterrupted delivery of service to NEA's stakeholders and the general public.

b. Implementation of the COVID-19 Response Protocol (May 29, 2020)

To mobilize governmental and non-governmental agencies which require a whole-of-government response to undertake and implement urgent and critical measures to contain the spread of COVID-19, mitigate its effects and impact to the community, and prevent serious disruption of the functioning of the government and the community.

c. Mandatory Self-Monitoring Survey to All Building Occupants Prior to Entry to the Building and Premises

This was part of the NEA Minimum Health Standards (MHS) and re-entry plan for mitigation of the Covid-19 pandemic of this Office. This aimed at helping the management to closely monitor the health of all building occupants up to 14 days prior to the resumption of work as anyone can be potentially exposed to Covid-19 in their respective community.

d. Travel Restrictions for Employees

The Agency implemented and adopted the COVID-19 Response Protocol in a memorandum issued last May 29, 2020 in cognizance to DOE Administrative Order No. A02020-05-001. One of the inclusions in the key interventions/mitigation measures is PREVENTION which aims to protect the health and safety of all employees.

NEA remitted P1.3B unused subsidies, dividends ... from page 2

The NEA also committed to discontinue the 10 percent or P10.9 million of the appropriations for the electrification of local government unit/non-government organizations (LGU/NGOs) resettlement sites, saying this is no longer feasible for completion within the year.

The move was pursuant to Republic Act No. 11469 or the Bayanihan to Heal As One Act, which President Rodrigo Duterte signed into law on March 25, 2020 to address the COVID-19 crisis in the country.

New learning and development system adopted amid COVID-19 crisis



Online Training Program

"LEADING IN TIMES OF CRISIS FOR NEA AND ECS



in coordination with



For the past months, capacity-building activities of NEA was significantly hampered by the current situation brought about by COVID-19 crisis. Despite this, the NEA, through the NEA-EC Training Institute (NETI) has endeavored to pursue learning and development of the NEA and EC officials and employees. To facilitate this, NEA adopted a new system, that is, through an online facility. The Agency acquired a subscription for Zoom application as training platform.

With this development, the Agency was able to conduct a total of five competency and one non-competency programs for a total of 194 NEA and EC officials and employees in the Second Quarter of 2020. Topics covered programs on Seminar on Mental Health, Leading in Times of Crisis, Orientation Briefing on Covid-19 Mitigation Program for Skeleton Workforce, ICD Webinar: Future-ready Boards, A Deep Dive and Accelerating the Renewable Energy Transition: Emerging Policy Development and Lessons Learned from Vietnam.###

| | Corporate Training | No. of Pax | EC Training | No. of Pax |
|--------------------------------|--------------------|------------|-------------|------------|
| Competency Programs | | | | |
| Regular | - | - | 2 | 63 |
| Scholarship | 3 | 4 | - | - |
| Sub-Total | 3 | 4 | 2 | 63 |
| Non-Competency Programs | | | | |
| Regular | 1 | 127 | - | - |
| Scholarship | - | - | - | - |
| Sub-Total | 1 | 127 | - | - |
| Total | 4 | 131 | 2 | 63 |

NEWS AROUND THE ECS

Power Cooperatives mulls 'Pantawid Liwanag' Program for the poor consumers affected by the lockdown extension

To help ease the burden of people in times of the health crisis, NEA said the ECs worked on a program of subsidizing the electricity needs of poor Filipino consumers following the two-week extension of the enhanced community quarantine.

Administrator Masongsong said the proposed electricity subsidy program, dubbed as 'Pantawid Liwanag,' targets poor Filipino electricity consumers in the countryside whose primary sources of income and livelihoods have been severely disrupted by the coronavirus crisis.



ctto: BUSECO

"To show solidarity in dealing with this crisis, the electric cooperatives are exploring all means to continuously deliver electricity services to their respective consumers, as well as mitigate the cost of electric consumption by accessing funds for the design and implementation of 'Pantawid Liwanag,'" Masongsong said.

The 'Pantawid Liwanag' is a corporate social responsibility program led by the Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) to be one with the government's efforts to curb the socioeconomic impact of the COVID-19 pandemic on the poorest of the poor.

This was in addition to the steps already taken by the power distribution utilities, such as the 30-day payment extension to electricity consumers and the cancellation of surcharges on late payments and power disconnections for consumers who failed to pay on time.

Over 90 ECs in Luzon, Visayas and Mindanao have implemented the 30-day grace period for consumers to settle their electricity bills. ###



ctto: BILECO

NEA backs extension... from page 3

payable to their power suppliers, the National Grid Corporation of the Philippines, Power Sector Assets & Liabilities Management, and the Independent Electricity Market Operator of the Philippines.

Masongsong said this is "to ease the burden [on] our industry players, as we fully understand that the generation and transmission sectors cannot be isolated from the economic consequences of this pandemic."

In a related development, the NEA administrator said the ECs were also looking into the possibility of subsidizing the electricity needs of poor families whose primary sources of income and livelihoods have been severely disrupted by the coronavirus crisis.###

NEWS AROUND THE ECS

ORMECO ramps up efforts to address power woes

To address the power supply problems within its coverage area, the Oriental Mindoro Electric Cooperative, Inc. (ORMECO) ramped up its efforts of improving its electricity services.

ORMECO Project Supervisor and Acting General Manager Norberto Mendoza acknowledged that the rotational power interruptions implemented under its service area were due to supply shortage.

In a letter to the Department of Energy (DOE), ORMECO explained that it has not received enough power supply from its independent power producers to meet the present demand of the province due to the expiration of its existing contracts with Mindoro Grid Corp. (MGC) and the retiring generation units of Global Business Holdings, Inc. (GBH).

The power co-op cited the GBH has not been operating since March this year, saying its power generating sets, with a combined capacity of 5 MW, are "undergoing major overhaul" and expected to be operational on October 31, 2020.

It also noted that the two generating units of Power One Corp. (POC) were unavailable, while the power station of MGC in Roxas was only generating 3.2 MW of power.

ORMECO also mentioned that its mini-hydro power plants and wind power plants, which have a total contracted capacity of 13.1 MW and 6.0 MW, respectively, only produced a combined 8.6 MW as of date.

To lessen the impact of these problems, ORMECO, in coordination with the local government unit and its new power providers, conducted an emergency power procurement of 10 MW net delivered energy in February.

POC also installed 6-MW modular operating units in Bansud as replacement to its undelivered



otto: ORMECO

power. These had been operational since April.

The Mindoro Harvest Energy Co. Inc., on the other hand, committed to provide 4-MW modular generating sets in Calapan to replace the inoperational power plant of GBH, which is expected to be operational by May 15, 2020.

In addition, DMCI Power Corp. committed to add 4 MW to its existing 15 MW contracted capacity. This was expected to be operational in the first week of May.

"This additional power supply will be sufficient to meet the power demand," ORMECO Project Supervisor and Acting General Manager Mendoza said.

ORMECO also reported that it was in the process of conducting a competitive selection process (CSP) for the 30 MW power procurement. The CSP was to be completed within the year, and the power plant to be operational next year.

Meanwhile, Administrator Masongsong advised ORMECO to maximize existing capacity available, as well as implement special interruptible load program to help mitigate its supply deficiency. ###

Task force sent to help restore power in Eastern, Northern Samar

Electric cooperatives (ECs) in Eastern Visayas sent a 'Power Restoration Rapid Deployment' (PRRD) Task Force Kapatid to help re-establish electricity services in Eastern and Northern Samar provinces following the onslaught of Typhoon 'Ambo', (international name: 'Vongfong'), the country's first tropical cyclone this year.



Two separate teams assisted the Eastern Samar Electric Cooperative, Inc. (ESAMELCO) and Northern Samar Electric Cooperative, Inc. (NORSAMELCO) with the power restoration activities.

The work included repair, rehabilitation, and comprehensive assessment of damage to power distribution facilities in the affected ECs according to Administrator Masongsong.

The PRRD Task Force Kapatid 'Ambo' was composed of 67 line workers and support personnel equipped with boom trucks and utility vehicles from nine participating power co-ops in Leyte, Southern Leyte, Samar and Biliran Island

The initial cost of damage incurred by ECs from Typhoon "Ambo" has reached PhP170 million.

Based on the reports received by the NEA Disaster Risk Reduction and Management Department (DRRMD), the typhoon caused an initial estimate of PhP170.215 million in damages to ECs operating in the provinces of Quezon, Marinduque, Sorsogon, Masbate, Western Samar, Eastern Samar, and Northern Samar.

NORSAMELCO suffered the most with an estimated damage at PhP72.944 million, followed by ESAMELCO at PhP55 million, Quezon I Electric Cooperative, Inc. (QUEZELCO I) at PhP23.729 million, and Samar I Electric Cooperative, Inc. (SAMELCO I) at PhP6.476 million.

Initial cost of damage to Masbate Electric Cooperative, Inc. (MASELCO) was pegged at PhP6.379 million; Quezon II Electric Cooperative, Inc. (QUEZELCO II) at PhP3.375 million; Sorsogon I Electric Cooperative, Inc. (SORECO I) at PhP1.340 million; Marinduque Electric Cooperative, Inc. (MARELCO) at PhP614,383; and Samar II Electric Cooperative, Inc. (SAMELCO II) at PhP356,199. ###

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