



Semi-Annual Report on the Initiatives and Activities on Rural Electrification



**1st
Semester
2022**

Office for Performance Assessment and Special Studies

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SEMI-ANNUAL REPORT ON THE INITIATIVES AND ACTIVITIES ON RURAL ELECTRIFICATION AND NEA INTERVENTION ON AILING ECs

First Semester 2022

I. INTRODUCTION

Pursuant to Section 3 of the Republic Act No. 10531, otherwise known as the National Electrification Administration Reform Act of 2013, it is a national policy to promote sustainable development in the rural areas through rural electrification. It also empowers and strengthens the National Electrification Administration (NEA) to pursue the electrification program and bring electricity, through the electric cooperatives as its implementing arm, to the countryside even in missionary or economically unviable areas and to empower and enable electric cooperatives to cope with the changes brought about by the restructuring of the electric power industry.

Likewise, Section 29 of the Implementing Rules and Regulations (IRR) of RA 10531 provides that to enhance the effectiveness of the Joint Congressional Energy Commission (JCEC), in the exercise of its oversight function over the implementation of the Act, the Board of Administrators shall submit to the JCEC a semi-annual report on the initiatives and activities of rural electrification, including the supervision of the NEA over the electric cooperatives (ECs) in the performance of their franchise obligations.

This report summarizes the status of the NEA's initiatives and activities on rural electrification, and interventions extended to the electric cooperatives in the exercise of its supervisory functions. The data contained herein were approved by the NEA Board of Administrators on **September 29, 2022** under Resolution No. 2022-153.

II. EXECUTIVE SUMMARY

National Electrification Administration has been at the forefront of the Rural Electrification Program since its creation in 1969. Electrification of the country down to the barangay level has been achieved through the Agency's implementing arm, the Electric Cooperatives. To further expand coverage of electrification, the national government provided subsidy funds for the Sitio Electrification Program which has been implemented since 2011.

For 2022, NEA has continuously pursued the electrification program despite the challenges and risks besetting the country with the continuous threat of the Covid-19, natural calamities and the Ukrain-Russia conflict in Europe.

The following are the highlights of the NEA's initiatives and interventions on rural electrification for the First Semester of 2022.

1. Acceleration of the Rural Electrification through Sitio Electrification Program (SEP)

As of June 30, 2022, the NEA, in partnership with the electric cooperatives, energized and completed 316 sitios. This accomplishment redounds to the provision of electric service to additional 141,417 consumers in the EC franchise areas.

A cumulative total of 126,579 sitios was energized or 85% of the total 148,385 potential and 15.11 million connected consumers or 105% of the 14.34 million. Potential consumers are based on the 2015 census of population, the latest official report of the Philippine Statistics Authority. The 145.11 million connected consumers include additional connections in cities/municipalities with 100% energization.

2. Release of Subsidy Fund for SEP and natural calamities

NEA was able to process and release a total of PhP 1,174.534 million subsidy fund for 65 ECs for the first semester of 2022. This is broken down into PhP 624.116 million for Sitio Electrification Program and PhP 550.418 million for calamity.

3. Approval and Release of Loans and Credit Accommodations to the ECs

The NEA approved and released a total of PhP 1,074.026 million for 27 ECs for first semester of 2022 broken down into PhP 636.236 million for CAPEX requirements and PhP 437.790 million for Calamity loans.

4. Capacity Building Programs for NEA and ECs

The Agency offered forty (40) trainings and scholarship programs on management, leadership and operational skills for both the NEA and the ECs for first semester 2022. They were participated by 1,173 officials and staff nationwide.

- a. For NEA management and associates, the Agency conducted 19 trainings and scholarship programs with 263 participants
- b. In line with the NEA's seven (7) point agenda on the "Intensification of Capacity Building Programs for ECs, the Agency trained 910 EC officials and staff in 21 capacity building programs.

5. Summary of Approved Policy Guidelines and Procedures for the Fulfillment of NEA Statutory Obligations

The NEA Board of Administrators confirmed and approved two (2) policy guidelines from January to June 2022 as part of the statutory obligations and regulatory functions of NEA over the electric cooperatives.

6. Renewable Energy Development

In line with the government's thrust of accelerating the development of renewable energy resources to address climate change, the NEA initiated and has ongoing activities for the following undertakings:

- a. Subsidized Renewable Energy Projects which include Expanded Household Electrification Program (Expanded HEP) and Expanded Sitio Electrification Program (Expanded SEP)

- b. Projects under the European-Union Access to Sustainable Energy Programme (EU-ASEP) which include Integration of Productive Uses of Renewable Energy for Sustainable and Inclusive Energization in Mindanao (I-PURE Mindanao), Solar PV Mainstreaming (PVM) Program Windows 1 and 2 and Rural Network Solar (RNS)
- c. Installation of Solar Facility including Net Metering Application and Equipment for the ten (10) Public Schools in the coverage area of BATELEC II

7. Status Ailing ECs and NEA Interventions

There are seven (7) remaining ailing or underperforming ECs. These include ABRECO, ALECO, MASELCO, BASELCO, SULECO, TAWELCO and LASURECO.

To ensure that these ECs provide better services to their member-consumer-owners and to prevent further deterioration of the ECs operations, the NEA has done the following interventions:

1. Assignment of Acting General Managers and Project Supervisors
2. Organization of Task Force and Management Teams
3. Appointment of NEA representatives to the EC Board of Directors (BODs) and installation of Executive Officer
4. Formulation and issuance of new and relevant policies and guidelines
5. Round Table Assessment and Dialogue
6. Review and approval of Strategic Development Plan (SDP), Sustainability Plan (SP) and Operation Improvement Plan (OIP)
7. Monitoring and evaluation of accomplishment reports versus the approved Plans (SDP, SP, and OIP) to ensure that all projects are properly and efficiently implemented
8. Capacity Building to enhance EC staff in financial, technical, institutional aspects in managing electric distribution utilities
9. Assistance in the Comprehensive Selection Process for New Power Provider
10. Comprehensive EC Audit
11. Annual and Quarterly EC Performance Assessment
12. Service facilities
 - a. Loan and Guarantee Service
 - b. Institutional Strengthening and Technical Assistance

III. DETAILS OF THE INITIATIVES AND ACTIVITIES ON RURAL ELECTRIFICATION

1. STATUS OF RURAL ELECTRIFICATION PROGRAM

The expansion of the reach of electricity supply to rural areas would not be economically viable for commercial providers of electricity. Thus, the NEA, together with its implementing arm, the ECs has been mandated to provide for such services under the Rural Electrification Program by virtue of Section 2 of Republic Act No.10531 or the NEA Reform Act of 2013. The Program is one of the basic requirements in the promotion of sustainable development in the countryside even in missionary or economically unviable areas.

In the NEA's 7-point agenda, number one priority is the completion of the National Rural Electrification Program and the carrying out of rural development through the Rural Electrification Program. The by-word is to accelerate program implementation towards achievement of 100% electrification.

To support the above agenda, the NEA established and revised its current programs into a comprehensive Strategized Total Electrification Program (STEP). It integrates various electrification programs, to include the following:

1. Expanded Sitio Electrification Program (Expanded SEP);
2. Barangay Line Enhancement Program (BLEP); and
3. Expanded Household Electrification Program (Expanded HEP) for on-grid and off-grid areas.

SITIO ELECTRIFICATION PROGRAM (SEP)

The approved target for Sitio Electrification Program in 2022 is the energization of 1,085 sitios. This target was laid out in consideration of the continuing threat of the COVID-19 pandemic and other calamities and force majeure. The challenges encountered by NEA and the Electric Cooperatives for 2022 continue to hamper the delivery of service to the Member-Consumer-Owners particularly those in the far-flung areas of the country. Despite these risks and challenges, NEA still commits to achieve its target of sitio electrification to realize the vision of sustainable rural development.

Undeterred by these risks and challenges, the NEA through the ECs, was still able to energize 316 sitios. ECs in Luzon implemented 79 sitios, 86 were energized in the Visayas and Mindanao ECs which has the remaining highest potential unenergized sitios, completed and energized the highest with 151. This brought to a cumulative total of 126,579 energized sitios.

Table 1. Status of Sitio Electrification per Island/per Region

LUZON		VISAYAS		MINDANAO	
I	11	VI	78	IX	9
CAR	7	VII	8	X	52
III	2			XI	33
IV-B	25			XII	38
V	34			CARAGA	13
				ARMM	6
TOTAL	79	TOTAL	86	TOTAL	151
NATIONAL					316

CONSUMER CONNECTIONS

As a result of the Agency's electrification program, the connection of 400,000 potential consumers is targeted to be achieved for 2022. This includes connections through expansion and add-ons. Expansion refers to those connected consumers as an effect of the Sitio Electrification Program while add-ons mean connected consumers in areas already energized.

As of June 2022, the total connected consumers are 141,417 which is 35% of the annual target of 400,000. Among the major islands, Luzon implemented the highest with 123,947 connections, followed by Mindanao with 82,413 and the Visayas with a total of 64,617 energized consumers. The total cumulative consumer connections are 15.111 million.

Table 2. Status of Consumer Connection per Island, per Region

LUZON		VISAYAS		MINDANAO	
I	23,439	VI	28,960	IX	17,843
II	14,392	VII	17,360	X	14,709
CAR	3,940	VIII	18,297	XI	13,031
III	34,085			XII	26,478
IV-A	17,017			BARMM	364
MIMAROPA	9,581			CARAGA	9,988
V	21,493				
TOTAL	123,947	TOTAL	64,617	TOTAL	82,413
NATIONAL					270,977

2. STATUS OF SUBSIDY FUNDS RELEASED

The budget for Rural Electrification Program forms part of the General Appropriation Act passed by both Houses of Congress. Following the area coverage scheme in Presidential Decree 269 of 1973, electrification now extends from the economic centers to the thinly settled areas including the missionary and economically unviable areas by virtue of Republic Act 10531. In 2011, the government has instituted the implementation of the Sitio Electrification Program through the NEA and ECs and subsidy fund was provided to pursue 100% electrification of the country. For 2022, the approved subsidy fund for Sitio Electrification Program is PhP 1,627 million with an additional fund of PhP 79 million for the line enhancement and improvement of distribution lines for ALECO, CASURECO IV and SULECO.

Likewise, subsidy fund for EC Emergency Resiliency (ECERF) was also provided in the amount of PhP 224.350 million so that ECs are assured of the availability of funds in times of fortuitous event or force majeure.

Compared with the subsidy released for the first semester of 2021 amounting to PhP 984.893 million, there is a 19% increase or PhP 189.641 million as against the release of PhP 1,174.534 million for first semester of 2022. Funding source for the releases to ECs in 2022 are from the previous subsidy grants provided to NEA by the national government.

Below is the comparative status of subsidy releases for first semester of 2022 versus first semester of 2021.

TABLE 3. Comparative Status of Subsidy Releases

Major Islands	First Semester of 2022	First Semester of 2021	Difference	Percent Change
LUZON	382.913	246.214	136.699	55
VISAYAS	299.093	435.908	(136.815)	31
MINDANAO	492.528	302.771	189.757	62
NATIONAL	1,174.534	984.893	189.641	19

As of June 2022, PhP 1,174.534 million subsidy funds have been released to 65 ECs. Out of these funds, PhP 624.116 million was released for electrification purposes and PhP 550.418 was released as calamity subsidy for the rehabilitation of typhoon - damaged electric distribution system and restoration of electric service. Of these, the highest allocation of forty-two (42) percent or a total of PhP 492.528 million was released to ECs in Mindanao, likewise twenty-five (25) percent in Visayas and thirty-three (33) percent were released to Luzon ECs with the amount of PhP 299.093 and PhP 382.913 respectively.

TABLE 4. Distribution of subsidy funds (PhP Million) in three major island groups

Major Islands	Electrification	Calamity	Total	% to Total
LUZON	93.003	289.910	382.913	33
VISAYAS	120.399	178.694	299.093	25
MINDANAO	410.714	81.814	492.528	42
NATIONAL	624.116	550.418	1,174.534	100

3. STATUS OF LOANS AND CREDIT ACCOMMODATIONS TO ECS

One of the major services of the NEA to the electric cooperatives is the provisions or facilitation of loan based from the provisions stated in PD 269 and Section 5(o) of RA 10531. Loans and credit accommodations to the ECs are for their capital requirements intended for rehabilitation/upgrading, expansion and construction of the electric distribution system and to augment insufficient fund for power accounts and working capital.

As of June 2022, NEA was able to facilitate the financial requirements of twenty-seven (27) ECs relating to a total of PhP 1,074 million for capital projects, calamity loans and working capital.

Compared with the same period last year, there was a 266% increase on loan releases to ECs with the amount of PhP 293.021 for first semester 2021 as against PhP 1,074.026 for first semester 2022. The table below shows the comparison of loans released broken down into three major island groups.

Table 5. Comparative Status of Loan Releases

Major Islands	First Semester 2022	First Semester 2021	Difference	Percent Change
LUZON	252.075	215.072	37.00	17
VISAYAS	364.149	38.437	325.712	847
MINDANAO	457.802	39.512	418.290	1058
NATIONAL	1,074.026	293.021	781.00	266

The highest availment of loan for first semester 2022 were the Mindanao ECs with PhP 457.802 million or 43%. The second are the ECs in Visayas with PhP 364.149 million or 34% and the remaining 23% or PhP 252.075 million were released to Luzon ECs.

The top five (5) regions that availed loans are Region VII (PhP 339.190M), Region X (PhP 299.999M), Region V (PhP 176.138M), CARAGA (PhP 121.618M) and CAR (PhP 39.367M).

Regional status is presented in the following table:

Table 6. Status of Loan Releases per Region (PhP Million)

LUZON		VISAYAS		MINDANAO	
I	7.979	VI	7.559	IX	15.970
II	10.000	VII	339.190	X	299.999
CAR	39.367	VIII	17.400	XI	10.215
IV-A	18.591			BARMM	10.000
V	176.138			CARAGA	121.618
TOTAL	252.075	TOTAL	364.149	TOTAL	457.802
NATIONAL					1,074.026

4. CAPACITY BUILDING PROGRAMS FOR NEA AND ECs

NEA continues to be a learning institution as it carries out the statutory obligations for structural reforms stated in Republic Act 9136 (EPIRA) and RA 10531 (NEA Reform Act). Capacity building programs such as competency seminars, trainings and local scholarship services are still being conducted for NEA and EC personnel.

For the first semester of 2022, there were forty (40) trainings and scholarship programs conducted and facilitated for both the NEA and ECs with a total of 1,173 personnel capacitated. Out of the 40 programs, nineteen (19) were facilitated for NEA associates and was attended by 263 participants. Twenty-one (21) were conducted for EC management and staff and 910 were capacitated in different disciplines (Table 7)

TABLE 7. 2022 Summary of Capacity Building Programs

Particulars	NEA	ECs	GRAND TOTAL
Number of Training and Local Scholarship Programs	19	21	40
Number of Staff Capacitated	263	910	1,173

The following are the trainings and scholarship programs conducted and facilitated for NEA associates for during the First Semester of 2022:

PROGRAM	NUMBER OF PARTICIPANTS	Date conducted	
		Start	End
How to Really Read Financial Statements of ECs	3	18-Jan-22	21-Jan-22
Introduction to Competencies and It's Role in the Organization for ECs	5	25-Jan-22	27-Jan-22
Philippine Electric Power Industry (EPIRA 101) Batch 6	12	8-Feb-22	11-Feb-22
Database Management and Data Analysis using MS Excel (Advanced)	16	3-Mar-22	4-Mar-22
Problem Solving & Decision Making (Batch 1)	31	15-Mar-22	18-Mar-22
Technical Report Writing	22	22-Mar-22	25-Mar-22
Remote Auditing in the Public Sector	10	22-Mar-22	25-Mar-22
Mandatory Continuing Legal Education (MCLE) - IBP Pampanga	1	5-Mar-22	26-Mar-22
GMFIC's 2nd Webinar for Calendar Year 2022	7	30-Mar-22	30-Mar-22
Assessing Training Effectiveness Based on Needs (LS)	2	21-Mar-22	31-Mar-22
Introduction to Competencies and It's Role in the Organization for ECs (LS)	2	25-Jan-22	27-Jan-22
Problem Solving & Decision Making (Batch 2)	35	29-Mar-22	1-Apr-22
Philippine REEEE Summit (M-Powering the Future with Renewable Energy & Efficient Energy (REEE) Management) LS	5	5-Apr-22	6-Apr-22
Mandatory Continuing Legal Education (MCLE) - Alternative Center for Continuing Education and Seminar Solution, Inc. (ACCESS) (LS)	2	1-Apr-22	9-Apr-22
Managing Written Communication in the Workplace for Leaders	30	19-Apr-22	22-Apr-22
Financial Risk Analysis Seminar	40	19-Apr-22	22-Apr-22
Formulating Values Policy Guidelines (LS)	4	6-Apr-22	27-Apr-22
Risk Management in the COVID-19 (LS)	1	28-Apr-22	28-Apr-22
Effective Business Writing	1	26-Apr-22	29-Apr-22

For the EC management and staff, the following trainings had been facilitated for the first semester of 2022:

PROGRAM	NUMBER OF PARTICIPANTS	Date conducted	
		Start	End
How to Really Read Financial Statements of ECs (Batch 2)	75	18-Jan-22	21-Jan-22
Introduction to Competencies and It's Role in the Organization for ECs (Batch 2)	31	25-Jan-22	27-Jan-22
Seminar on Philippine Electric Power Industry (EPIRA 101)	44	8-Feb-22	11-Feb-22
Technical Report Writing for ECs (Batch 2)	39	15-Feb-22	18-Feb-22
Seminar on Essentials and Practice of Internal Auditing: Module 1 (Batch 6)	41	28-Feb-22	04-Mar-22
Procurement Guidelines and Simplified Bidding Procedures (RA 10531) – SORECO II	42	07-Mar-22	08-Mar-22
Technical Report Writing for ECs (Batch 2)	36	15-Mar-22	18-Mar-22
Introduction to Competencies and It's Role in the Organization for ECs (Batch 3)	19	29-Mar-22	31-Mar-22
Seminar on Essentials and Practice of Internal Auditing: Module 2 (Batch 6)	46	28-Mar-22	06-April-22
Seminar – Workshop for the Balanced Scorecard Adoption by the ECs (ABRECO)	42	04-April-22	08-April-22
How to Really Read Financial Statements of ECs (Batch)	65	19-April-22	22-April-22
Seminar on Fraud Auditing (Batch 3)	48	25-April-22	29-April-22
Seminar on Fraud Auditing (Batch 4)	57	23-May-22	27-May-22
Gender Sensitivity Training (Batch 1)	40	23-May-22	27-May-22
Electric Power Distribution Line Construction (EPDLC NCII) Training – NEECO II – Area 2	29	18-April-22	31-May-22
Online Cooperative Management Course I (CMC I)	69	31-May-22	03-June-22
Seminar on Revised Procurement Guidelines and Simplified Bidding Procedures (RA 10531) - CANORECO	24	07-June-22	08-June-22
Seminar on Net Metering Rules and Interconnection Standards and Overview on Self Generating Facilities - CENECO	42	14-June-22	15-June-22
Gender Sensitivity Training (Batch 2)	45	21-June-22	24-June-22
Seminar-Workshop on Quality Customer Relations – ZAMECO II	39	28-June-22	29-June-22
Seminar-Workshop on Leadership Skills Training – BATELEC I	37	24-June-22	30-June-22

5. SUMMARY OF APPROVED POLICY, GUIDELINES AND PROCEDURES FOR THE FULFILLMENT OF NEA STATUTORY OBLIGATIONS

In accordance with the expanded powers and functions under Section 5 of RA 10531 and Section 5 of its IRR, the following policies and guidelines were formulated and have been approved by the NEA Board of Administrators. The purposes are to ensure fulfillment of the NEA's mandate and to provide guidance and directions to the electric cooperatives in order to improve their performance to the highest efficiency level and the success in the implementation of plans, programs and targets.

There are two (2) policies and guidelines approved by the NEA BOA for the first semester of 2022. The policy and guideline shall take effect upon the confirmation and approval of the NEA Board of Administrators and 15 days upon filing with the University of the Philippines (UP) Law Center pursuant to the Presidential Memorandum Circular No.11, dated October 9, 1992.

Below is the list of Policy Guidelines approved for the first semester of 2022.

Date Approved	Particulars
March 25, 2022	The Equipment and Materials Price Index 2022
June 29,2022	Revised Policy Guidelines on the Implementation of Strategized Total Electrification Program (STEP)

6. RENEWABLE ENERGY DEVELOPMENT

The Philippines has set a goal to harness renewable energy (RE) as an essential part of the country's low emission development strategy and address challenges of energy sustainability, security, and equity. In support of this strategy and the government's Green Energy Option Program (GEOP), the NEA continuous to promote the development of renewable energy. This initiative also aims to accelerate rural electrification program and obtain sustainable socioeconomic development in the far-flung areas of the country where on-grid access to electricity is not feasible. Relative to this, the following are the NEA's activities to achieve these goals:

A, NEA's Subsidized Renewable Energy Projects

Expanded Sitio Electrification Program (Expanded SEP)

The project was allocated with PhP 12 million budget for the conduct of feasibility study on establishing Mini-Grid System with Renewable Energy Source. The feasibility study is

directed to provide electricity to six (6) off-grid locality in the franchise areas of three (3) EC beneficiaries, namely QUEZELCO II, ZANECO, SOCOTECO II which aims to put up either mini-grid community using only a renewable energy source or hybrid mini-grid community.

Quezon II Electric Cooperative, Inc. (QUEZELCO II) submitted requirements for three (3) barangays namely: 1) Brgy. Carlagan, Burdeos, Quezon; 2) Brgy. Rizal, Panukulan, Quezon and 3) Brgy. Cabungalan, Burdeos. Zamboanga Norte Electric Cooperative, Inc (ZANECO), likewise, submitted requirements for Brgy Selinog, Dapitan City, while South Cotabato II (SOCOTECO II) submitted requirement for barangays J.P. Laurel and Tamban, Sarangani Province.

SOCOTECO II is still conducting competitive bidding for the procurement of consultancy services for the conduct of feasibility study for two sites.

The draft final report of the feasibility studies for the three (3) sites of QUEZELCO II and one (1) site of ZANECO are under review and finalization of the respective ECs in coordination with their winning bidder/consultants.

B. Assisted Projects under the European Union - Access to Sustainable Energy Programme (EU-ASEP)

Integration of Productive Uses of Renewable Energy for Sustainable and Inclusive Energization in Mindanao (I-PURE Mindanao)

I-PURE Mindanao is a project funded by the EU-ASEP 4.5 Million Euro Top-up Grant. The NEA is in close coordination with the Mindanao Development Authority (MinDA) and some Mindanao ECs for the implementation of the project. The main objective to improve economic and social conditions of families in marginalized and disadvantaged communities in Mindanao through the use of renewable energy solutions for their livelihood activities and household energization.

The project will utilize different energization schemes and renewable energy powered machineries to augment the economic generation potential in the agri-fishery value chain in some areas in Mindanao.

The installation for Work Package 2.1 and 2.2 is on-going while the first installations for both SOCOTECO II and COTELCO were already completed by the contractor and were already inspected and accepted by NEA. As for Work package 2.3, the Notice To Proceed has already been issued and the site inspection and coordination with TAWELCO, LGU and the contractor were already accomplished. Delivery of materials is expected to arrive in September 2022.

The Notice to Proceed has already been issued for Work Packages for ice, rice, corn, coffee and seaweeds. The delivery of materials by the Contractor are on-going and coordination with the LGU and MINDA are being undertaken for the project site development.

The Work Packages for water system are still for re-bid while the test conducted by MINDA contractors are on-going and awaiting results.

C. Other Assisted Projects

1. Installation of Solar Facility including Net Metering Application and Equipment for the (10) Ten Public Schools in the coverage area of BATELEC II.

The Project aims to install a Solar Power Facility in rooftop of Public Schools including a Net Metering Connection and the intention is to source a portion of the schools' demand through the use of solar facility. The Project's intention is to source a portion of (10) Ten Public Schools' demand through the use of Solar Facility.

The Net Metering connection enables the Public Schools to maximize the power generated by the Solar Facility. The excess power will be delivered to the grid and will be offset on the consumed electricity from the grid. This is monitored by a bidirectional meter which records the imported and exported energy. The project will help in generating savings and at the same time mitigate climate change.

On June 2022, all ten (10) projects were completely installed, energized and operational. The project generated savings of Php 260,358.88

2. Renewable Energy Information, Education and Communication Campaigns

NEA continues to conduct a series of Information, Education and Communication campaign to capacitate and inform the ECs on the implementing rules, policies and guidelines on Renewable Energy Programs.

For June 2022, NEA through the Renewable Energy Development Division (REDD) conducted a seminar on Net-Metering Program for Association of Mindanao Rural Electric Cooperatives (AMRECO) and Central Negros Electric Cooperative, Inc. (CENECO) attended by 77 and 60 participants respectively. The seminar was designed to provide the ECs with a better cognizance of the provisions of the amended net-metering rules and to give guidance in their net-metering implementation.

7. Status of ECs and Recommendation for Ailing Electric Cooperatives

Based from the NEA Reform Act of 2013 or Republic Act 10531, the following are the basis for NEA's intervention in the operation and management of the ECs:

- a. Rule IV - Section 21, IRR of RA 10531 empowers NEA to exercise its Step-In Rights over an ailing EC by appointing or assigning a PS or PS/AGM or assigning third persons to the Board of EC until the NEA decides that the election of a new Board of Directors to lead the EC is necessary. The NEA may also create a Management Team for the purpose.
- b. Section 5 Section 4(e) of Presidential Decree No. 269, as amended, is hereby further amended of RA 10531 that empowers NEA to supervise the management and operations of all electric cooperatives.
- c. Section 5 Section 4(j) of Presidential Decree No. 269, as amended, is hereby further amended by RA 10531 empowers NEA to ensure the economic and financial viability, and operation of all electric cooperatives.

Under Section 20 of the Implementing Rules and Regulations of RA 10531, an electric cooperative can be declared an “ailing EC” when it falls under the following circumstances:

- a. Has negative Net Worth for the last three (3) years
- b. Has accumulated ninety (90) days arrearages in power supply purchases from generating companies and power suppliers and the transmission cost
- c. Unable to provide electric service due to technical and/or financial inefficiencies
- d. Unable to efficiently perform its electric distribution utility obligations or continue in business due to organizational, external and internal factors
- e. Failed to meet other operational standards established by NEA

There are many issues and challenges being faced by the electric cooperatives that hinder the implementation of their plans and programs for the improvement of their operations or at worst scenario, may even cause the decline of their organization. These challenges include:

- a. Unstable/adverse peace and order situation
- b. High level of poverty incidence
- c. Strong political interventions/interference
- d. Cultural and ethnic beliefs
- e. Governance and management issues
- f. Natural and man-made calamities
- g. Financial concerns such as overdue power accounts from PSALM and power generating companies, unrecoverable interest, surcharges and penalties from consumers’ bill, huge uncollected power accounts from local government units, military camps and other government agencies, inappropriate distribution rates, among others
- h. Technical concerns such as old, dilapidated distribution line system, transformer overloading, lack of long - term power supply contracts

The Electric Cooperatives are evaluated based on the Policy for Classification of ECs and Guidelines for the Declaration and Graduation of Ailing EC under Memorandum to ECs No. 2020-049.

The Policy Guideline includes seven (7) performance parameters and standards on financial, operational and technical status of ECs. The parameter on Status of Reliability, which was not included in the 2014 Guidelines for Classification of ECs, was introduced in the 2020 Policy to monitor the implementation and compliance of ECs in the set standard under Philippine Distribution Code (PDC) on SAIDI/SAIFI. The non-compliant ECs will be classified and declared as “ailing” and would require NEA’s full intervention and may be open for alternative options or partnership with qualified private sector investors, local government and other ECs.

As of June 30, 2022, there are seven (7) ailing ECs classified based on their financial and operational performance under the parameters identified by NEA. They are ABRECO, ALECO, and MASELCO in Luzon and BASELCO, TAWELCO, SULECO and LASURECO in Mindanao.

The current condition of these ECs necessitates NEA intervention to prevent further retrogression and improve their operational efficiency and standards of service. The following interventions were implemented:

- a. Creation of Task Force and Management Teams
- b. Designation of Acting General Managers and/or Project Supervisors
- c. Appointment of NEA Representative to the EC Board of Directors (BODs)
- d. Formulation and issuance of new and relevant policies and guidelines
- e. Round Table Assessment and Round Table Dialogue
- f. Provision of loans and subsidies
- g. Capacity Building for EC management and staff
- h. Member-Consumer-Owners (MCO) Empowerment Program
- i. Financial, institutional and technical services facilities

Status of Ailing and/or underperforming ECs and the NEA extended interventions from January to June 2022.

1. APEC/ALECO

Year	Categorization	Classification - Color	Classification - Size
2021	D	R	ML
2020	Deferred	R	ML
2019	D	R	ML
2018	D	R	ML
2017	D	R	ML

For the second quarter of 2022, ALECO is non-compliant in all of the 7 performance parameters in EC Classification. The EC is not able to comply with the financial parameters set by NEA. As for the Technical Parameters, only its SAIDI was compliant with the result of 648.92 minutes in duration of sustained customer power interruptions.

ALECO is under a twenty-five (25) year Concession Agreement (CA) with SMC Global Power Holdings, Corp. (SMCGPHC) and its subsidiary Albay Electric Power Company (APEC) since October 2014.

In June 2022, eight (8) years after the approval of the CA, NEA assisted the EC in the conduct of validation on the compliance of APEC with the Agreement. The result of validation showed that APEC was not able to comply with some of the major requirements and deliverables under the CA such as the Performance Security obligation, payment of the 50% of the Net Cash Flow, Insurance Coverage for the assets of the cooperative, among others. APEC committed to submit an Operational Improvement Plan as well as the documentary requirements to comply with the provisions of the Concessional Agreement.

On Competitive Selection Process (CSP), the certificate of posting was issued by the DOE; NEA and DOE are awaiting the final terms of Reference for 100 MW CSP from APEC.

As for Financial, Management and Technical Audit of APEC covering the period July 1, 2018 to December 31, 2020 by NEA, the APEC has yet to submit their justifications and plan of actions on the NEA Audit findings.

2. ABRECO

Year	Categorization	Classification - Color	Classification - Size
2021	C	R	EL
2020	Deferred	R	EL
2019	C	R	EL
2018	D	R	EL
2017	D	R	EL

Based on the second quarter 2022 EC Classification, ABRECO was not compliant in 5 of the 7 performance parameters, namely, working capital fund, payment to GENCO, financial operations, net worth and system loss. It attained a 96.54% collection efficiency and retained a current status in its accounts payable to NEA. As for power reliability, both the SAIDI and SAIFI were compliant with the result of 7.67 and 203.93 minutes in duration of sustained customer power interruptions. However, the working cash general fund of Php13.595M is insufficient to finance its one (1) month working capital requirement of Php76.826M.

On June 2022, the NEA installed a Management Team composed of financial, technical and institutional experts who are tasked to assist the Management in the day-to-day operations of ABRECO and recommend to the General Manager the appropriate course

of action relative to the financial, institutional, and technical aspects of operations of the EC. Likewise, Atty. May Flor C. Abuedo was designated as Project Supervisor of ABRECO with the following functions:

- a) Supervise the management and operations of ABRECO to ensure the delivery of electric service to the member-consumers;
- b) In the absence of a Board of Directors of ABRECO, to act as Board of Directors, promulgate and pass upon policies for and on behalf of the electric cooperative;
- c) Sign/countersign checks, withdrawal slips, and other banking transactions for and on behalf of the EC with all banks, where ABRECO has an account; and
- d) Perform other tasks that may be assigned by the NEA for the purpose of operational efficiency.

The Strategic Development Plan was crafted by the EC and was assessed by the NEA Management Team. Recommendations were presented to address the problems and challenges pervading ABRECO. Initiatives were also undertaken by the cooperative, with the assistance of NEA to improve collection efficiency and reduce system loss.

NEA, likewise, monitors and validates the implementation of identified plans and programs of the EC to determine the effectiveness of each measure to the EC operations and to ensure 100 % accomplishments of the set targets. ABRECO and the NEA Management Team are continuously working hand in hand to improve the operational and financial viability of the cooperative and devise measures and strategies to comply with the parameters and standards of NEA.

The ABRECO together with the designated Project Supervisor Atty. May Flor C. Abuedo and the installed Management Team for ABRECO were working hand in hand to improve its operational and financial viability. The Management Team which consists of financial, technical and institutional experts committed to continuously devise measures and strategies that will directly tend to meet the major non-compliances of the EC.

3. MASELCO

Year	Categorization	Classification - Color	Classification - Size
2021	C	R	ML
2020	Deferred	R	ML
2019	C	R	EL
2018	C	R	EL
2017	D	R	EL

MASELCO has been consistently rated as D from 2015 to 2017. However, there was a significant improvement in the EC performance rating in 2018 as it was rated as C after its successful implementation of SDP from 01 January to 31 December 2018 with the support of NEA, EC officers, management and employees.

For 2022, NEA required MASELCO to prepare and implement another one (1) Year Strategic Development Plan (SDP) covering the period 01 January to 31 December 2022.

The objective is to sustain operational improvement which will address the increased demands for power rate reduction, security of power supply, reliability of service, good governance and MCO empowerment.

Assessment of the MASELCO's 2022 2nd quarter performance showed that it was not compliant in four (4) of the seven parameters set by NEA, the working capital requirement, accounts payable to GENCO, financial operation and system loss. In its determination to gradually reduce its arrearages from the GENCOs, MASELCO increased its monthly payment of power accounts to DMPC from Php2M to Php3M. However, MASELCO was only able to pay one (1) month obligation in the 1st quarter and two (2) months in the 2nd quarter due to lack of funds brought about by increase in power cost. To aid the cooperative in its financial difficulty, NEA has approved the cooperative's request for extension of working capital loan validity for another two (2) years.

With the supervision and assistance of NEA spearheaded by the designated Acting General Manager (AGM) Nelson A. Lalas, strategies and initiatives were undertaken to mitigate the risks and challenges encountered in the attainment of plans and programs to improve organizational performance. The work plan through the e-ICPM was thoroughly crafted and finalized with the hands-on assistance from the NEA on May 16 to 20, 2022.

Electric Cooperatives under Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)

Republic Act No. 11054, the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), otherwise known as the Bangsamoro Organic Law (BOL), was approved on 27 July 2018.

With the passage of this Law, the four (4) ailing/underperforming ECs are now under the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), namely: Tawi-Tawi Electric Cooperative, Inc. (TAWELCO), Basilan Electric Cooperative, Inc. (BASELCO), Sulu Electric Cooperative, Inc. (SULECO), and Lanao del Sur Electric Cooperative, Inc. (LASURECO). The other three (3) electric cooperatives under BARMM are Maguindanao Electric Cooperative, Inc. (MAGELCO), Siasi Electric Cooperative, Inc. (SIASELCO), and Cagayan de Sulu Electric Cooperative, Inc. (CASELCO)

To facilitate the smooth operation and transition of the BARMM ECs pursuant to Article VI, XIII and other relevant provisions of the Bangsamoro Organic law, the Special Concerns Office (SCO) of NEA was tasked, among others, to collaborate and conduct networking activities with DOE, BARMM-MENRE and other national government agencies for electrification, development programs and operational concerns of these ECs. The SCO is also tasked to render technical assistance to the BARMM government in setting up the Electrification Agency similar to the NEA structure to ensure the transition is effected to the best interest of the BARMM ECs and its member-consumer-owners (MCOs).

For 2022, NEA has allocated electrification program funds for eighty (80) sitios in Bangsamoro Area in the total amount of Nine-six Million Two hundred-sixty Three Thousand Six Hundred and Eight Centavos (Php 96,263,600.08).

These eighty (80) sitios are within the franchise area of BASELCO, SIASELCO, SULECO and TAWELCO with the following allocation:

Electric Cooperative	Number of Sitios	Estimated Project Cost
BASELCO	26	Php28,491,475.91
SIASELCO	9	Php11,975,090.56
SULECO	38	Php46,264,939.89
TAWELCO	7	Php9,532,093.72

Performance Assessment of BARMM ECs

Most of the BARMM ECs, for years, have been assessed and evaluated under the NEA Overall Performance Assessment and Evaluation System as underperforming ECs.

They have not complied either with all or most of the parameter standards set by NEA under the Key Performance Standards (KPS) and EC Classification Standards, and are therefore tagged as either under the “Ailing” or “Red” or “Yellow-1” ECs.

The common challenges observed in BARMM ECs include high incidence of power pilferages coupled with unreliable distribution system due to obsolete, aged, or dilapidated distribution facilities. Also, high incidence of poverty in these places results in inability of customers to pay their electric bills on time.

Likewise, the adverse peace and order situation are seen to have a big contribution to the poor economic condition in these areas. All these circumstances lead to the BARMM ECs’ inability to pay their payables to power providers and creditors; and, financial difficulty to cover other administrative expenses.

For the BARMM ECs to be able to pay its mounting obligations and to recover from being an ailing electric cooperative, the whole nation approach in resolving the root causes of the problems is necessary.

1. TAWELCO

Year	Categorization	Classification - Color	Classification - Size
2021	D	R	M
2020	Deferred	R	M
2019	D	R	M
2018	D	R	M
2017	D	R	M

Latest assessment of their accomplishments showed that the EC was not compliant with six of the seven (7) performance parameters in EC Classification. Collection Efficiency standard of 95% was not attained with only 31% collection performance and as a result, the cooperative sustained a negative Financial Operation and Net Worth. Despite the

financial condition of the cooperative, it was still able to pay its financial obligation with NEA and other financing institutions.

NEA has provided Management Assistance to TAWELCO by assigning Ms. Peraida T. Jalani as Project Supervisor/ Acting General Manager. Ms. Jalani is tasked to supervise and monitor the implementation of plans and programs set to address the financial, institutional and technical issues in the operations of the cooperative including the mandate to provide total electrification in the Province of Tawi-Tawi. To date, with the designation of PS/AGM Peraida T. Jalani, the Billing System has been repaired by the members of the Management Team from SULECO.

TAWELCO is a recipient of JICA donated equipment and materials for the rehabilitation of around 17 kilometers backbone lines and improvement of the electric distribution system. To date, the rehabilitation of the distribution line is 50% completed.

The NEA assessed and subsequently approved the 2022 Operational Improvement Plan of the cooperative. Strategies and mitigation plans to improve the overall performance of the cooperative were also identified during the consultations with TAWELCO such as creation of regional/inter-agency task force; management take-over and termination of all employees and hiring of new and more qualified personnel to handle the critical operations of the cooperative.

2. BASELCO

Year	Categorization	Classification - Color	Classification - Size
2021	D	R	L
2020	Deferred	R	L
2019	D	R	L
2018	D	R	L
2017	D	R	L

As of 2nd quarter of 2022, BASELCO was compliant with only one parameter, the working capital requirement. The other remaining six (6) parameters were not complied by the EC which can be attributed to multiple internal and external factors such as dilapidated electric distribution system, socio-political interventions, governance, threat on safety and security, widespread irregularities, and fraudulent activities among others.

Collection efficiency is at 66.40% which is very low compared to the standard criteria of 95%. Initiatives to increase collection level has been identified such as massive collection drive in the entire province of Basilan but prioritizing Isabela and Lamitan City; strict implementation of Disconnection Policy; shorten the billing period to consumers from twenty (20) to fifteen (15) days, and to further improve the electric distribution system facilities in other areas with recorded low collection efficiency.

On the issue of Power Capacity, the cooperative has implemented Island mode operation of NPC power plants on identified areas such as Isabela City, Lamitan City and Maluso.

The cooperative has also signed a contract for the commercial operation of 4x1.25MW or 5 MW Rose Diesel Power Plant located at Lamitan City owned by LGU to supply power on the far-flung areas of Basilan and Lamitan City, in order to provide power security, improved voltage level and reliability in the connected system. NEA has, likewise, provided an allocation of 2020 GAA subsidy funds under SEP amounting to Php 28.5 Million for the electrification of nineteen (19) sitios under the franchise area of the cooperative.

NEA continuous to monitor the submitted Operational Improvement Plan (OIP) by the cooperative wherein it details the priority plans and programs to address the issues that hinder the adherence of the coop to NEA parameters and standards on EC classification which would alleviate its current status as ailing EC.

3. SULECO

Year	Categorization	Classification - Color	Classification - Size
2021	C	R	L
2020	Deferred	R	L
2019	C	R	L
2018	C	R	L
2017	C	R	L

As of 2nd quarter of 2022, SULECO was not compliant with three parameters (3) of the seven (7) parameters on EC classification namely collection efficiency, payment to GENCO, and net worth. With the collection performance of the cooperative at 40.96%, it is positive to note that it is still able to finance its one month working capital of PhP 31.484 million with its PhP 168.238 million working capital fund. Also, the cooperative was able to sustain a positive financial operation.

SULECO is a recipient of PhP 6.57M concessional loan for JICA Project and donation of equipment and materials, such as poles, conductors, distribution transformers and grounding wire, intended for the rehabilitation of backbone lines within the EC coverage area. For 2022, the JICA project has been completed and NEA has issued a Certificate of Final Inspection and Acceptance of said project.

4. LASURECO

Year	Categorization	Classification - Color	Classification - Size
2021	D	R	EL
2020	Deferred	R	EL
2019	D	R	EL
2018	D	R	EL
2017	D	R	EL

As of 1st quarter of 2022, LASURECO is still not able to comply with all the seven parameters in EC classification. Their cash general fund of Php6.657 million is insufficient

to finance the cooperative's one-month working capital requirement of Php64.150 million. The cooperative has a negative Net Worth and is negative in their Financial Operations. One reason for this poor financial condition is the status of their collection efficiency, which is at its lowest with only 18.07%.

NEA assigned Engr. Eric Floyd Bautista as Project Supervisor of LASURECO whose main task is to supervise the management and operation of the cooperative with the end goal of improving the overall performance of the cooperative. NEA also provided assistance in the preparation of its three (3) - Year CAPEX Plan and 2021-2022 Biennial Workplan using Enhanced Integrated Computerized Planning Model (e-ICPM).

On the Institutional aspect of the EC operations, there is a need to re-engineer the workforce of LASURECO. Accordingly, NEA has undertaken the necessary preparations and staff work on the Proposed Re-organizational Structure. However, the implementation of the restructuring plan is yet to be realized due to insufficient funds to support the program, particularly the retirement pay of qualified employees.

Operationally, of major concerns of the EC are its high System Loss, low Collection Efficiency and the lack sufficient funds to acquire equipment and materials to ensure power reliability, efficiency and safety in its coverage area as well as capacity to pay its power obligations and other maturing debts. One of the plausible solutions to address the high System Loss and low Collection Efficiency is to obtain the support and involvement of the political leaders, from the Barangay to the Regional level, particularly in enforcing what is lawfully right and expected from the MCOs and Stakeholders in order to make the EC viable.

Annex A: Status of 1st Semester 2022 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region I		23,439
INEC		2,875
ISECO		3,723
LUELCO		3,371
PANELCO I		1,367
CENPELCO	11	5,463
PANELCO III		6,640
Region II		14,392
BATANELCO		109
CAGELCO I		2,625
CAGELCO II		2,165
ISELCO I		3,063
ISELCO II		2,989
NUVELCO		2,449
QUIRELCO		992
CAR		3,940
ABRECO		1,296
BENECO		-
IFELCO		759
KAELCO		902
MOPRECO	7	983
Region III		34,085
AURELCO		1,415
TARELCO I	2	4,009
TARELCO II		2,785
NEECO I		1,488
NEECO II – Area 1		3,695
NEECO II – Area 2		2,530
SAJELCO		863
PRESCO		844
PELCO I		3,539
PELCO II		4,719
PELCO III		1,183
PENELCO		3,338
ZAMECO I		1,809
ZAMECO II		1,868

Annex A: Status of 1st Semester 2022 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IV-A		17,017
FLECO		1,031
BATELEC I		3,895
BATELEC II		6,852
QUEZELCO I		4,397
QUEZELCO II		842
Region IV-B		9,581
LUBELCO		181
OMECO		1,126
ORMECO		2,344
MARELCO		2,260
TIELCO	5	797
ROMELCO	20	314
BISELCO		328
PALECO		2,231
Region V		21,493
CANORECO		2,304
CASURECO I		1,655
CASURECO II	3	2,146
CASURECO III	15	958
CASURECO IV	16	4,361
ALECO		3,713
SORECO I		1,109
SORECO II		1,840
FICELCO		1,146
MASELCO		2,017
TISELCO		244
Luzon	79	123,947

Annex A: Status of 1st Semester 2022 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region VI		28,960
AKELCO	5	3,644
ANTECO	3	2,086
CAPELCO		3,303
ILECO I	22	3,261
ILECO II		4,682
ILECO III	11	3,106
GUIMELCO	25	727
NONECO	10	3,336
CENECO		2,999
NOCECO	2	1,816
Region VII		17,360
NORECO I		1,569
NORECO II	4	3,037
BANELCO		1,371
CEBECO I		2,445
CEBECO II		4,413
CEBECO III		1,957
PROSIELCO		448
CELCO	4	359
BOHECO I		768
BOHECO II		993
Region VIII		18,297
DORELCO		1,917
LEYECO II		1,777
LEYECO III		2,326
LEYECO IV		919
LEYECO V		2,137
SOLECO		487
BILECO		847
NORSAMELCO		2,036
SAMELCO I		1,381
SAMELCO II		2,099
ESAMELCO		2,371
Visayas	86	64,617

Annex A: Status of 1st Semester 2022 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IX		17,843
ZANECO	7	7,466
ZAMSURECO I	2	4,448
ZAMSURECO II		3,410
ZAMCELCO		2,519
Region X		14,709
MOELCI I		1,434
MOELCI II	3	1,486
MORESCO I	17	2,353
MORESCO II		1,863
FIBECO		3,327
BUSECO	32	2,334
CAMELCO		221
LANECO		1,691
Region XI		13,031
DORECO		2,171
DANECO	16	4,389
DASURECO	17	6,471
Region XII		26,478
COTELCO	15	6,063
COTELCO-PPALMA		5,629
SOCOTECO I		2,527
SOCOTECO II		9,498
SUKELCO	23	2,761
BARM		364
TAWELCO		-
SIASELCO		-
SULECO		-
BASELCO		-
CASELCO		24
LASURECO	6	101
MAGELCO		239
CARAGA		9,988
ANECO		3,713
ASELCO		3,102
SURNECO		879
SIARELCO		15
DIELCO		43
SURSECO I	13	670
SURSECO II		1,566
Mindanao	151	82,413
Total	316	270,977

Annex B: 1st Semester 2022 Subsidy Releases

Electric Cooperatives	Amount
REGION I	2,389,368.56
LUELCO	2,389,368.56
REGION II	14,852,107.27
CAGELCO I	14,852,107.27
CAR	58,720,506.32
MOPRECO	32,042,341.50
IFELCO	26,678,164.82
REGION III	22,702,802.94
AURELCO	4,073,871.67
TARELCO I	352,314.66
NEECO II A1	16,589,308.54
NEECO II A2	1,294,501.91
PELCO III	392,806.16
REGION IV-A	95,389,889.74
QUEZELCO I	73,598,030.96
QUEZELCO II	16,523,023.35
BATELEC I	4,822,998.26
BATELEC II	445,837.17
REGION IV-B	65,511,090.05
ORMECO	48,171,582.16
MARELCO	16,225,977.58
TIELCO	27,350.34
BISELCO	1,086,179.97
REGION V	123,347,796.72
CASURECO I	193,371.88
SORECO I	2,242,682.48
SORECO II	9,538,974.92
FICELCO	111,372,767.44
REGION VI	94,465,993.31
AKELCO	12,864,980.88
ANTECO	13,139,567.24
ILECO I	19,793,701.34
ILECO II	1,167,593.14
CENECO	1,615,249.69
NONECO	45,884,901.02
REGION VII	52,024,477.86
CEBECO I	995,265.90
CEBECO III	149,815.44
PROSIELCO	218,147.28
CELCO	7,732,944.22
BOHECO I	13,463,635.26
BOHECO II	29,464,669.76

Annex B: 1st Semester 2022 Subsidy Releases

Electric Cooperatives	Amount
REGION VIII	152,602,325.64
LEYECO V	825,264.56
BILECO	213,385.94
NORSAMELCO	64,043,759.19
SAMELCO II	19,584,447.66
ESAMELCO	67,935,468.29
REGION IX	123,061,620.51
ZANECO	17,971,529.35
ZAMSURECO II	52,937,260.04
ZAMCELCO	52,152,831.12
REGION X	101,518,947.24
MOELCI I	310,356.96
MOELCI II	7,160,891.09
MORESCO I	377,170.41
MORESCO II	30,194,519.59
FIBECO	61,051,335.16
BUSECO	780,362.82
LANECO	1,644,311.21
REGION XI	13,387,352.05
DANECO	13,387,352.05
REGION XI	118,736,870.07
COTELCO	56,392,469.46
SOCOTECO II	21,455,949.83
SUKELCO	40,888,450.78
CARAGA	133,527,201.58
ANECO	33,285,065.26
ASELCO	3,389,456.68
SURNECO	41,824,257.09
SIARELCO	24,847,111.31
SURSECO I	29,210,630.47
SURSECO II	970,680.77
BARMM	2,296,296.90
TAWELCO	178,591.68
SULECO	2,117,705.22
TOTAL	1,174,534,646.76

Annex C: January to June 2022 CAPEX Loans

Electric Cooperatives	Loan Type	Project/s	Amount
Region I			
LUELCO	RE-FR	Supply, delivery, construction and commissioning of 15MVA Sison Substation (2 nd release)	7,979,350.00
CAR			
ABRECO	WC	Special Retirement Package	39,367,107.96
Region IV			
FLECO	EUCPDRP	Upgrading of 10 MVA to 20 MVA Power Transformer located at Famy Substation (Final release)	16,915,354.66
QUEZELCO I	EUCPDRP	Replenishment of materials used for Typhoon Tisoy, Quinta, Rolly and Ulysses damaged distribution lines	15,000,000.00
	EUCPDRP	Cost of replenishment of materials used for Typhoon Tisoy, Quinta, Rolly and Ulysses damaged distribution lines	35,000,000.00
QUEZELCO II	RE-FR	Procurement of 1 unit Brand New Boom Truck with 2 Man basket	3,600,000.00
		Procurement of 2 Units Maintenance Utility Vehicle	3,360,000.00
		Procurement of lot for general Nakar Area Office	1,250,000.00
		Construction of Real Sub-Office	4,972,786.05
		Construction of Polillo Sub-Office	12,000,036.08
BISELCO	WC	To finance BISELCO's cash shortfall for the settlement of power account with Calamian Island Power Corporation CIPC	13,000,000.00
Region V			
CASURECO I	RE-FR	Replacement of poles and equipment and restoration of guying caused by tropical Cyclone "Rolly and Ulysses"	3,480,514.18
		Emergency CAPEX Purchase, installation and Commissioning of New 20 MVA Substation in Sipocot, Camarines Sur	24,792,000.00
CASURECO III	WC	Settlement of its power accounts with SMEC (Chargeable to RE-FR Loan Balance)	37,994,410.75
CANORECO	RE-FR	Upgrading of existing 5MVA Tawig Substation	4,773,004.20
Region VI			
ILECO III	RE-FR	Construction of 15MVA Banate Substation and 13.2k V Double Circuit for BF1 and BF2	7,559,277.41

Annex C: January to June 2022 CAPEX Loans

Electric Cooperatives	Loan Type	Project/s	Amount
Region VII			
CELCO	WC	Timely payment to power supplier – CAMPC DR	11,000,000.00
Region VIII			
LEYECO IV	EUCDRP	Construction of 10MVA Bato Substation	6,400,000.00
Region IX			
ZANECO	RE-FR	Acquisition of Kwh Meters, distribution transformers, Poles and Service Drop Wires (15% initial release)	7,538,400.00
ZAMSURECO II	RE-FR	Reconductoring of Ipil-Titay Distribution Line and Purchase of Kwhr Meters in Replacement of Meter in Service Over 15 years	8,431,166.00
Region X			
LANECO	STCF	To finance monthly shortfall on the settlement of power bills with FDC Misamis Power Corporation (FDCMPC) and GN Power Kauswagan Ltd. Co. (GNPK)	299,999,996.00
Region XI			
DORECO	RE-FR	Purchase of Maintenance Truck, Maintenance Vehicle, Motorcycle, 4-Wheel maintenance and Service Vehicle	10,214,924.67
BARMM			
BASELCO	Concessional	Construction of Feeder 3 from Substation to Malawi Island	10,000,000.00
CARAGA			
SURSECO I	RE-FR	Supply and Delivery of Materials and Labor for the Relocation of Barobo Substation, Upgrading and Installation of Barobo Substation from 5 MVA to 10 MVA	5,817,279.75
SIARELCO	RE-FR	Acquisition of New Transformers, 34.5kV	11,121,000.00
		Buffer Stocks for Contingencies/Emergency/Calamities	4,502,104.39
		Supply, installation and Commissioning of New 5 MVA 34.5kV/13.8kV Substation at Roxas, San Isidro, Surigao del Norte	26,883,000.00
		Procurement of Logistics Vehicles	3,284,411.81
TOTAL			636,236,123.91

Annex D: January to June 2022 Calamity Loans

Electric Cooperatives	Calamity	Amount	Date Released
REGION II			
BATANELCO	Typhoon Kiko	10,000,000.00	2/18/22
REGION IV			
PALECO	Typhoon Odette	18,590,490.59	6/24/22
REGION VII			
NORECO I	Typhoon Odette	28,220,802.87	6/22/22
CEBECO I	Typhoon Odette	7,625,027.74	3/18/22
BOHECO I	Typhoon Odette	81,249,402.52	6/30/22
BOHECO II	Typhoon Odette	73,981,455.22	3/30/22
REGION VIII			
LEYECO IV	Typhoon Odette	17,361,711.90	4/19/22
SOLECO	Typhoon Odette	130,751,469.60	6/27/22
CARAGA			
SURNECO	Typhoon Odette	70,010,117.83	3/30/22
TOTAL		437,790,478.27	