



NATIONAL ELECTRIFICATION ADMINISTRATION

"The 1st Performance Governance System-Institutionalized National Government Agency"



MEMORANDUM No. 2024 - 14

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : Action Items of the 2024 NEA-EC Summit

DATE : April 8, 2024

The National Electrification Administration (NEA) together with its partner electric cooperatives (ECs) conducted a one-day NEA-EC Summit on April 1, 2024 to discuss various areas of concern such as Low / Fluctuating Voltage of EC Distribution System and Management of EC Reinvestment Fund and EC Retirement Fund, among others.

As such, attached are the action items arising from this activity for reference / integration into the ECs' respective programs / action plans.

For your compliance.


ANTONIO MARIANO C. ALMEDA
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION
Office of the Administrator



NEA-Q4274312



ACTION ITEMS OF THE 2024 NEA-EC SUMMIT

April 1, 2024, Monday, 10:00 am
HES Auditorium

Agenda	Pronouncements / Action Items
1. Low/Fluctuating Voltage EC Reinvestment Fund Management	<ul style="list-style-type: none">• Reinvestment Fund for Sustainable CAPEX (RFSC) should be utilized for the maintenance/improvement of the ECs' distribution system• Inappropriate usage of RFSC outside of its intended purpose will not be tolerated• Prioritize the issues concerning the consumers over employee incentives to attain EC good corporate image• Evaluate annually the performance level of distribution system due to increase in demand and address issues on reliability and efficiency• Consider pre-filing of the CAPEX application to ERC to facilitate faster approval• Treat embedded generation projects as a solution rather than as an investment• Consider customization of Dx transformers as one of the strategies to address low/fluctuating voltage• Be creative/innovative in developing strategies/measures to maintain reliability and efficiency
2. EC Retirement Fund	<ul style="list-style-type: none">• As of March 27, 2024, only 62 ECs submitted their respective board resolutions pertaining to EC Retirement Fund management. NEA extended the submission until April 3, 2024. ECs with non-submission will be subjected to issuance of show cause order• NEA will intervene to identified ECs with mismanaged retirement fund• ECs may opt to hire a fund manager• Conduct internal audit regarding retirement fund management immediately and submit the audit result to NEA• Board of Trustees' members should be qualified by law• NEA will issue a policy that will govern the retirement fund
3. New Loan Facilities	<ul style="list-style-type: none">• NEA will provide additional funds for SCADA and GIS. NEA will provide a new loan facility for AMI• Green lane for new loan facilities• NEA is looking for grants pertaining to SCADA for small/island ECs

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4. e-ICPM Concerns	<ul style="list-style-type: none">• Accelerate the schedules for the regional e-ICPM workshops• NEA will closely monitor the compliance and submission of the ECs• ECs to provide guidance and support to neighbor ECs in crafting their respective e-ICPM / Workplans
5. Timeline of EC Bidding Activities	<ul style="list-style-type: none">• Abide with the ECs' respective bidding process. It should be completed within the prescribed timelines• Ensure prudence in monitoring blacklisted suppliers who changed the names of their companies• Continuous submission to NEA of the names of non-performing contractors/suppliers
6. Other Matters a. Total Electrification	<ul style="list-style-type: none">• Help and support NEA to reach 100% sitio electrification by 2028 through the possible use of EC general fund/RFSC
b. Collective Bargaining Agreement	<ul style="list-style-type: none">• DOLE and NEA will enter into a MOA to capacitate and guide ECs to establish unions and/or negotiate effectively regarding CBAs• DOLE will assume jurisdiction and handle on the matters of "deadlock"• NEA and DOLE will conduct a regional caravan to facilitate on how to effectively negotiate a CBA and to present the parameters to be followed• For those with already signed CBAs, GMs shall bear the consequence on the financial impact to the EC• For ECs who are starting to establish their unions, immediately coordinate with NEA-IDD
c. Review and Audit of EC Allied Organizations' Activities	<ul style="list-style-type: none">• Review the nature and activities of EC Allied Organizations for possible merging/collapse of associations• Set criteria/parameters on how to identify the relevance and worthiness of organizations to EC operations• Regulate/rationalize the expenses of ECs regarding allied organization activities