



2017 ANNUAL REPORT



Power in Unity



*The National Electrification Administration,
The Electric Cooperatives, and
The Member-Consumer-Owners:
Partners in Rural Electrification
and Development*

 www.nea.gov.ph

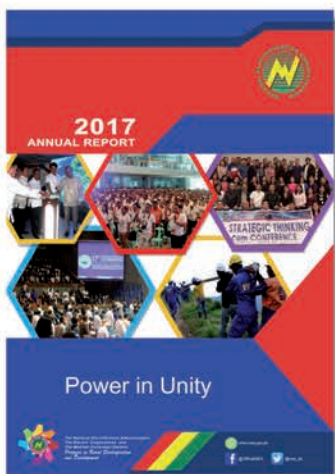
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About the cover

The cover is a collage of photos and images which depict how a united front backed by strong network chain with various stakeholders create power and strength in achieving and reaping meaningful results in the goal of total electrification of the countryside.

The solid convergence of Electric Cooperatives (ECs) with their Member-Consumer-Owners (MCOs), in partnership with the National Electrification Administration (NEA), aided by the National Government, towards one common goal is a potent force that supports the call for genuine and lasting development of the country through rural electrification which paves the way for the availability of opportunities for people to improve their way of life.

Republic of the Philippines
National Electrification Administration
Quezon City

June 2018

His Excellency Rodrigo Roa Duterte
President of the Republic of the Philippines
Malacañan Palace
Manila

Dear Mr. President:

I have the honor to submit the Annual Report of the National Electrification Administration for the Year 2017.

Very truly yours,


EDGARDO R. MASONGSONG
Administrator



MALACAÑANG PALACE
Manila



MESSAGE

Congratulations to the National Electrification Administration (NEA) as it publishes its 2017 Annual Report.

I congratulate the agency for its accomplishments in 2017, including the remarkable developments for the year. It pleases me to know that NEA was able to increase the number of consumer connections to 12 million and that nearly 60 million Filipinos are already benefitting from this program. May you continue to guide our electric cooperatives towards meeting the overall performance standards necessary to provide efficient and reliable power supply to our localities.

Let me also note your significant contribution not only in the areas devastated by typhoons Lawin and Nina, but, most importantly, in the speedy rehabilitation of damaged distribution lines in the areas affected by the month-long battle in Marawi. The Power Restoration and Rapid Deployment (PRRD) Task Force has brought aid to the city at a time when help was badly needed. Indeed, you have become an instrument of progress and a beacon of hope and change for our countrymen.

It has been two years since we vowed to effect real and lasting change. We continue to fulfill this commitment today as we strive to improve the delivery of social services and ensure that our programs will lead our people towards productive and comfortable lives. I am grateful to have NEA as an active stakeholder in this mission and I hope that this Annual Report will inspire you to further remain resolute with us in improving the lives of our citizenry.

I wish you all the best in the years ahead.


RODRIGO ROA DUTERTE
Republic of the Philippines

MESSAGE

Over the years, the National Electrification Administration remains the Department of Energy's (DOE) dependable partner in providing electricity for the Filipino people. It has been consistent in enhancing the regulatory processes and industry practices to address the concerns of all the electric cooperatives it oversees.

The DOE recognizes that for 2017, NEA has created more proactive programs in response to the challenges of the previous years and hurdled all odds to give access to electricity to 12,186 million households in the country, benefitting nearly 60 million Filipinos.

Likewise, NEA has further enhanced its program to engage electric cooperatives to strive for excellence for the advancement of the government's rural electrification program in their respective areas of concern.

We also take pride in the successful mobilization of the task forces for speedy recovery of disaster-stricken areas.

Commendable also are your administrative accomplishments with your ISO 9001:2015 Recertification, recognizing your compliance with international quality standards covering the financial, institutional, and technical aspects of your operation, as well as legal assistance to the electric cooperatives you serve.

The satisfaction rating of 80% received from all your stakeholders is an affirmation of NEA's efforts to deliver excellent service.

For all these achievements, allow me to extend my congratulations to the officials and employees of the NEA as you reap the fruits of your labor in pursuit of the total electrification goals of the country.

With DOE's full support, we wish NEA to continue to flourish in the years ahead.

Mabuhay!


ALFONSO G. CUSI
Secretary



Republic of the Philippines
DEPARTMENT OF ENERGY
Taguig City, Metro Manila



THE AGENDA TOWARD SUSTAINABLE DEVELOPMENT



PRESIDENT DUTERTE ADMINISTRATION 5 - POINT ELECTRICITY AGENDA



- * Access to Electricity for All
- * Power Availability at all times
- * Power Reliability
- * System Efficiency
- * Cheap Electricity Rate

DEPARTMENT OF ENERGY'S 9-Point Energy Agenda



- * Access to Basic Electricity for All Filipinos by 2020
- * Adopting a Technology Neutral Approach for an Optimal Energy Mix
- * Improving the Supply of Power that is Reliable, to Meet Demand Needs by 2040
- * Developing the LNG needs for the Future in Anticipation of the Malampaya Depletion
- * Facilitating the Completion of Transmission Projects by 2020
- * Pro-consumer Distribution Framework for Affordability, Choice and Transparency
- * Streamlining Domestic Policy to Cut Red Tape
- * DOE to Deliver on PSALM Privatization
- * Promoting Efficient Use of Power Among Consumers through an IEC

VISION

A dynamic and responsive NEA that is a vanguard of sustainable rural development in partnership with globally - competitive Electric Cooperatives and empowered Electricity Consumers

MANDATED MISSION

To promote the sustainable development in the rural areas through rural electrification

To empower and strengthen the 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

To empower and enable Electric Cooperatives to cope with the changes brought about by the restructuring of the electric power industry

CREDO

Go where the darkness looms
Create the path of light
Walk with the rural folks
Install the lines of progress

Work with the electric cooperatives
Spin the engine of growth
Bring electricity to the industries,
communities and households

Protect the consumers' interest
Serve with your hearts
Share your talents
And make a difference

Live honestly
Work efficiently
Promote solidarity

SHARED VALUES

To live and be guided by:

Commitment
Friendliness and Participation
Leadership and Initiative
Integrity and Honesty
Generosity
Hardwork
Teamwork

CORE VALUES

Absolute honesty
Maximum efficiency
Total solidarity

NEA 7-Point ELECTRIFICATION Agenda





STRATEGY MAP

VISION A dynamic and responsive NEA that is a vanguard of sustainable rural development in partnership with globally-competitive Electric Cooperatives and empowered Electricity Consumers

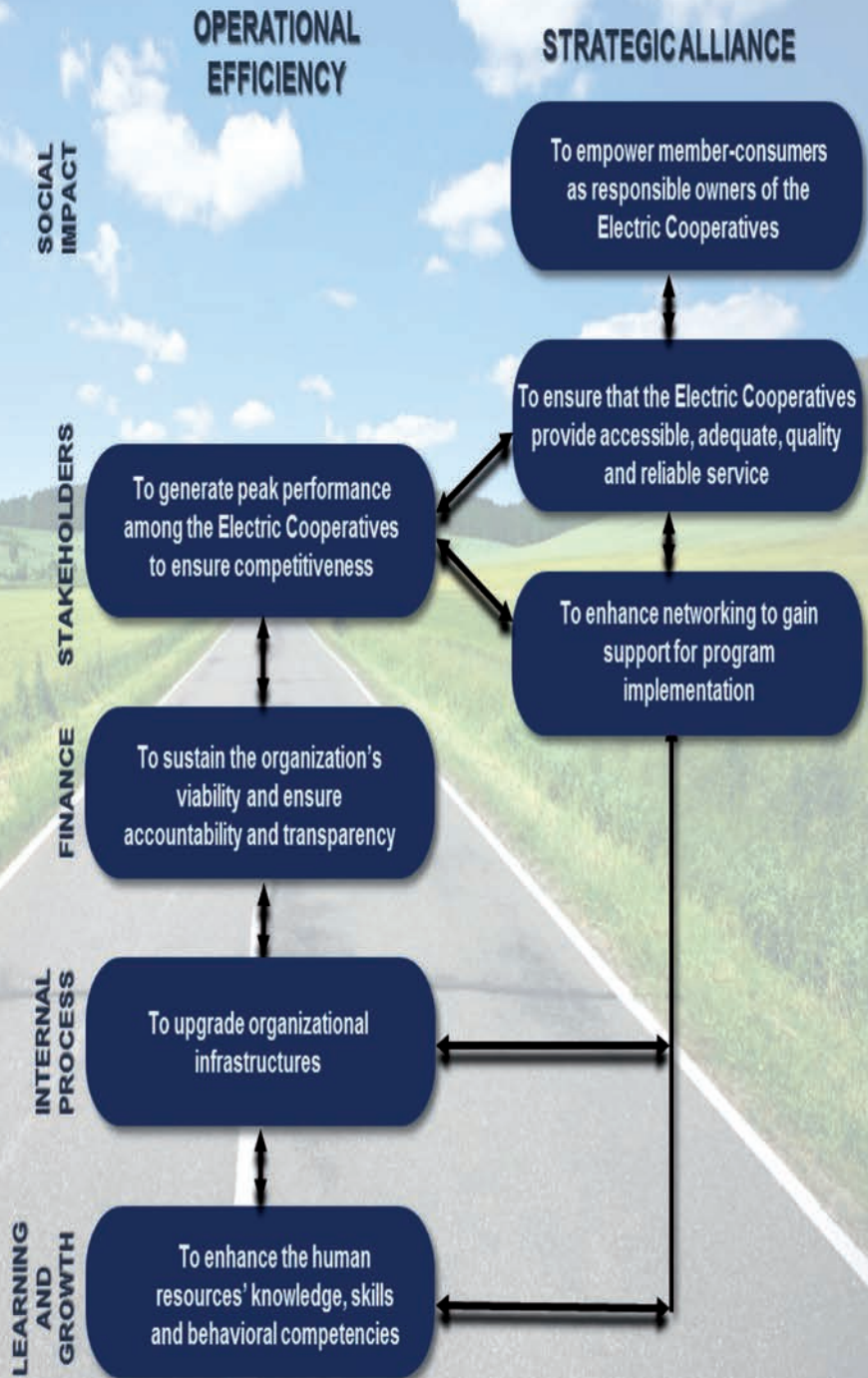
NATIONAL ELECTRIFICATION ADMINISTRATION

MANDATED MISSION

- To promote the sustainable development in the rural areas through rural electrification
- To empower and strengthen the 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
- To empower and enable Electric Cooperatives to cope with the changes brought about by the restructuring of the electric power industry

CORE VALUES

Absolute Honesty
Maximum Efficiency
Total Solidarity



Statement Confirming Full Compliance with the NEA's Manual of Corporate Governance

The NEA Board Governance Nomination and Remuneration Committee (BGNRC) reviewed recommendations of Management prior to endorsement and approval by the NEA Board. All Resolutions and Actions taken by the NEA Board for Calendar Year 2016 are in compliance with the NEA Manual of Corporate Governance anchored in the Code of Corporate Governance.



AGUSTIN L. MADDATU
Member, NEA Board of Administrators
Chairman, NEA BGNRC

Statement Confirming Adequacy of Internal Control System

The Board Audit Committee (BAC) reviewed the findings, observations and recommendations of the Internal Audit Quality and Management Office on the operations of the NEA prior to endorsement and approval of the NEA Board. The Internal Control System of the NEA is adequate.



RENE M. GONZALES
Member, NEA Board of Administrators
Chairman, NEA BAC

Statement on Review of Financial, Operational and Risk Management System

The NEA Board Credit and Risk Management Committee (BCRMC) reviewed recommendations of Management for Calendar Year 2016 involving Financial, Operational and Risk Management prior to endorsement and approval by the NEA Board.



ALIPIO CIRILO V. BADELLES
Member, NEA Board of Administrators
Chairman, NEA BCRMC



WHISTLEBLOWING PROGRAM AND COMPLAINT POLICY OF THE NATIONAL ELECTRIFICATION ADMINISTRATION

NEA's Whistleblowing Program and Complaint Policy was duly approved by the NEA Board of Administrators (NEA-BOA) through Board Resolution No. 57, s. of 2017 dated May 31, 2017 and correspondingly submitted to the Office of National Administrative Registry at the University of the Philippines Law Center on June 19, 2017. for filing, publication and recording.

A. INTRODUCTION

It is the State's policy that the governance of government-owned and controlled corporations (GOCCs) shall be carried out in a transparent, responsible and accountable manner with the utmost degree of professionalism and effectiveness. As a GOCC, integrity and accountability are necessary to maintain public trust and restore credibility in the public service. Whistleblowers are the primary vehicle through which misconduct is exposed and employees are therefore encouraged to come forward and voice their concerns about any aspect of this Office's work. However, witnesses to misconduct are oftentimes subject to retaliation for speaking out. This retaliation creates a chilling effect on the willingness of the employees to come forward and bring to light these misconducts.

The GCG has implemented Memorandum Circular No. 2016-02 entitled "Revised Whistleblowing Policy for the GOCC Sector". This guideline is therefore issued in order to implement the aforesaid memorandum on Whistleblowing Policy of the National Electrification Administration (NEA).

The purpose of this Whistleblowing Policy is to enable any concerned individual to report and provide information, anonymous if he/she wished and even testify on matters involving the actions or omissions of the employees, officers and members of the Board of Administrators of NEA and protect the identity of the whistleblower from retaliation for his/her actions.

B. DEFINITION OF TERMS

- **OFFICE** – refers to the National Electrification Administration (NEA).
- **EMPLOYEE** – refers to any individual who performs services for or under the control and direction of an employer for wages or other remuneration. For purposes of this Whistleblowing Policy, it shall also include rank-and-file, regular or contractual, job order or plantilla employees, supervisors, officers and members of the Board of Administrators.
- **RETALIATORY ACTION** – means the discharge, suspension, demotion, harassment, blacklisting or the refusal to hire an employee, or other adverse employment action taken against an employee in the terms and conditions of employment, or other actions which interfere with an employee's ability to engage in protected activities set forth under this policy.
- **WHISTLEBLOWING** – refers to the process whereby employees are encouraged to report suspected violations, complaints or concern involving financial disclosures, accounting, code of conduct and ethics or policies. Whistleblowing encourages employees to bring unethical or illegal practices to the forefront and addressing them before they become detrimental to the Office.

C. OBJECTIVES OF THE POLICY

A whistleblowing program is an important element of internal audit and control. Its main objectives are as follows:

1. To encourage employees to bring suspected malpractices, ethical and legal violations they are aware of to the attention of an internal authority.
2. To avoid exposing the office to risk or damage that may occur when employees violate a certain code of conduct. A strong whistleblowing program is one of the best means of reducing the impact of fraud and serious misconduct.
3. To help promote and develop a culture of openness, accountability and integrity within the office. The policy supports and assists personnel who have genuine concern to bring it to the attention of people within the office who can take appropriate actions.

D. SCOPE OF THE GUIDELINE

1. The guideline shall apply to all employees of NEA as defined.
2. The following concerns and issues shall encompass reporting by concerned employees:
 - a. Violations of the provisions of the following rules and regulations, to wit:
 - i. R. A. No. 6731, "Code of Conduct and Ethical Standards for Public Officials and Employees";
 - ii. R. A. 3019, "Anti-Graft and Corrupt Practices Act",
 - iii. R. A. 7080, as amended, "The Plunder Law";
 - iv. Book II, Title VII, Crimes Committed by Public Officers, The Revised Penal Code;
 - v. Executive Order No. 292 s. 1987, "Administrative Code of 1987";
 - vi. R. A. No. 10149, "The GOCC Governance Act of 2011";
 - vii. GCG MC No. 2012-05, "Fit and Proper Rule";
 - viii. GCG MC No. 2012-06, "Ownership and Operations Manual Governing the GOCC Sector";
 - ix. GCG MC NO. 2012-07, "Code of Corporate Governance for GOCCs"; and
 - x. Other Circulars and Orders and applicable laws and regulations.
 - b. Reportable Conditions as provided under GCG Memorandum Circular No. 2016-02, Revised Whistleblowing Policy for the GOCC Sector.



E. PROTECTED ACTIVITIES

No retaliatory action shall be made against an employee because he/she does any of the following:

1. Discloses, threatens to disclose, or is about to disclose to his/her immediate superior or through any means under this policy an activity, policy or practice of the officers, co-employee, or any of the members of the Board of Administrators, that the employee reasonably believes is in violation of a law, regulation or policy.
2. Provides information to, or testifies before any panel duly constituted under this policy or competent court of jurisdiction conducting an investigation, hearing or inquiry into any violation committed under the scope of this program or of any law, rule, regulation or policy.
3. Discloses, threatens to disclose or is about to disclose to a superior or through any means provided under this policy, or public officer a policy or practice of an officer, co-employee or any of the members of the Board of Administrators that the employee reasonably believes is incompatible with the mandate of this office.

F. POLICIES

1. A confidential reporting channel/mechanism shall be established wherein whistleblowers may convey or communicate their concerns and/or complaints.
2. All reports must state the specific conditions/s, action/s and/or omission/s being complained about, as well as the corresponding laws, rules or regulations allegedly violated. If possible, documentary and other evidence in support of the allegation must be submitted for evaluation.
3. All reports by whistleblowers shall be treated fairly, properly and confidentially to the greatest extent possible. As such, the process allows for anonymous reporting. The whistleblower who informs against any wrongdoing may choose to maintain his anonymity and provide a manner by which he/she can be contacted without jeopardizing his anonymity. If any employee is making an identity disclosure, said employee shall retain his/her anonymity unless he/she agrees otherwise.
4. The anonymity is limited and exclusive only to the whistleblower. All respondents or those complained of must be clearly identified by their full names and positions. Furthermore, the alleged violations, actions and/or omissions must be clearly identified, together with the law, rule and regulation allegedly violated.
5. In the event that the whistleblower withdraws or desist from providing additional information, the investigation shall continue provided that the evidence gathered is sufficient as determined by the whistleblowing committee.
6. In the event that the complained employee resigns prior to the final resolution of the case against him/her, the investigation shall still continue provided that the evidence gathered is sufficient as determined by the whistleblowing committee.
7. The filing of a case in a court of competent jurisdiction does not affect the conduct of the investigation to determine administrative liability, if any.
8. The whistleblowing program intends to provide warnings and promote ethical conduct in the office. In this manner, the whistleblower may raise matters of concern or issues that are within the scope of the program enumerated per letter D above.
9. The Office shall ensure that no employee shall be at risk of suffering some form of retribution as a result of reporting or raising a concern.
10. Employees shall be responsible to raise only genuine concerns, in good faith and without any ulterior motive. The process should not be used to support personal grievances about conditions of employment or disputes.
11. The Administrator may create and appoint a "Whistleblowing Committee" that would handle the overall responsibility for the implementation and maintenance of the program.

G. GCG WHISTLEBLOWING WEB PORTAL

The Governance Commission has established the website www.whistleblowing.gcg.gov.ph as its primary reporting channel for whistleblowers under GCG Memorandum Circular No. 2016-02, Revised Whistleblowing Policy for the GOCC Sector. This reporting channel is an online-based platform by which whistleblowers may securely submit reports electronically while at the same time ensuring their anonymity and the confidentiality of their reports. Whistleblowers are encouraged to utilize this online reporting channel.

H. CONFIDENTIALITY

Except when the whistleblower does not invoke anonymity and/or confidentiality when invoking the policy under this guideline, the office shall ensure confidentiality of all information arising from whistleblowing reports submitted. It shall treat all reports including the identity of the whistleblower and the person complained of in a confidential and sensitive manner. The identity of the whistleblower will be kept confidential, unless compelled by law or the Courts to be revealed, or unless the whistleblower authorized the release of his/her identity.

I. PROTECTION OF A WHISTLEBLOWER AGAINST RETALIATION

Retaliatory acts against whistleblowers who submit whistleblowing reports in good faith shall not be tolerated by this office which shall extend all possible assistance to the whistleblower under the law and given the circumstances. Such retaliatory acts may include:

- (a) Discrimination or harassment in the workplace;
- (b) Demotion;
- (c) Reduction in salary or benefits;
- (d) Termination of contract;
- (e) Evident bias in performance evaluation; or
- (f) Any acts or threats that adversely affect the rights and interests of the whistleblower.

J. UNTRUE ALLEGATIONS

If a whistleblower makes allegations that are determined to be fabricated or malicious falsehoods, and/or he/she persists in making them, legal action may be taken against him/her by the office.

K. EFFECTIVITY CLAUSE

This guideline shall take effect fifteen (15) days after the approval by the NEA Board of Administrators, and after submission of three (3) certified copies of the same to the office of the National Administrative Registry at the University of the Philippines Law Center.


EDGARDO R. MASONGSONG
Administrator

Board of Administrators

For 2017, the NEA Board of Administrators (NEA-BOA) welcomed the appointment of new members.

The President of the Philippines, through the recommendation of the Governance Commission for GOCCs (GCG), appointed Mr. Rene M. Gonzales who succeeded Mr. Victor G. Chiong, and Atty. Cirilo Alipio V. Badelles who took office in lieu of Mr. Eugene A Tan as members of the Board.

The NEA-BOA has the Secretary of the Department of Energy (DOE) as Chairman of the Board with Atty. Felix William B. Fuentebella as Alternate to the Chairman. Other members of the BOA are Messrs. Agustin L. Maddatu and Edgardo R. Masongsong.

MAJOR ACCOMPLISHMENTS



1 ALFONSO GABA CUSI
Chairman, NEA-BOA
Secretary, Department of Energy

Age: 68

Highest Educational Qualifications:

Doctorate in Business, Honoris Causa
Polytechnic University of the Philippines

Master in Business Administration
University of the Philippines, Cebu

BS in Business Administration
La Salle College, Bacolod

Date of First Appointment: July 1, 2016

Relevant Experiences prior to appointment:

- General Manager Philippine Ports Authority (PPA)
- General Manager, Manila Int'l. Airport Authority (MIAA)
- Director General, Civil Aviation Authority of the Philippines (CAAP)



2 ATTY. FELIX WILLIAM BUQUID FUENTEBELLA
Alternate Chair, NEA-BOA
Undersecretary, Department of Energy

Age: 43

Highest Educational Qualifications:

RA 1080 - Philippine Bar, San Sebastian Recoletos
Institute of Law, Ateneo de Manila University

BS in Business Administration
University of the Philippines, Dilliman

Date of First Appointment: October 24, 2016

Relevant Experiences prior to appointment:

- Undersecretary, Department of Energy (DOE)
- Deputy Secretary General, Housing and Urban

- Development Coordinating Council (HUDCC)
- Commissioner, Housing and Land Use Regulatory Board (HLURB)
- Chief of Staff and Head Legislative Staff Office of Congressman Arnulfo Fuentebella
- Assistant Majority Floor Leader, 12th Philippine Congress
- Political Affairs Officer, Office of Congressman Arnulfo Fuentebella

Continuing Training Program:

- 15th Asia Cooperation Dialogue (ACD) and Other Related Meetings, January 15-18, 2017, Abu Dhabi, UAE
- ASEAN Government Leadership Program (AGLP) May 7-12, 2017, Ossining, New York and Washington D.C., USA
- Guest Speaker to the Korea-Asia Energy Cooperation Seminar, July 6-7, 2017, Seoul, Korea



3 VICTOR GABUTAN CHIONG
Member, NEA-BOA (2015-2017)

Age: 58

Highest Educational Qualifications:

BA Law-University of the Visayas, Gullas Law School
BS Accountancy, University of the Visayas

Date of First Appointment: May 20, 2015

Relevant Experiences prior to appointment:

- President, Metro Cebu Water District Union
- President, National Alliance of Water District Union of the Philippines
- Organizer-President, Allied CEBECO Labor Unions

- Consultant-Lecturer, National Solidarity of Electric Cooperative Union
- Convenor, Steering Committee of the International Labor Organization in the Philippine Water Utility Sector
- Chairman, National Coordinating Committee of Public Services International Philippine Affiliates
- Chairman, Brotherhood of Union of the Philippines
- President, Alliance of Government Employees, Region 7

Continuing Education Program:

Performance Governance System (PGS 101)
Makati Diamond Residence, Legaspi Village

CGOP for Government Owned and Controlled Corporations
The Interncontinental Manila



4 EUGENE ANDRADE TAN
Member, NEA-BOA (2015-2017)

Age: 47

Highest Educational Qualifications:

BS Biology, Divine Word College

Date of First Appointment: March 3, 2015

Relevant Experiences prior to appointment:

- Proprietor, Luxury Suites Hotel, Tip Commercial, Janvike Construction and Supplies and Access Office Systems
- Managing Director and Franchisee, Gerry's Grill

Continuing Training Program:

Performance Governance System (PGS 101)
Makati Diamond Residence, Legaspi Village

CGOP for Government Owned and Controlled Corporations
The Interncontinental Manila



5 AGUSTIN LAYOSO MADDATU
Member, NEA-BOA (2016-present)

Age: 68

Highest Educational Qualifications:
BS in Commerce, Major in Business Administration
University of the East, Manila

Date of First Appointment/Sworn to Office: November 18, 2016

Relevant Experiences prior to appointment:

- Deputy Administrator for Administration, NEA
- Rural Electrification Director, NEA

- Acting General Manager, various ECs
- Chief of Research Division, NEA
- Financial Analyst, NEA

Continuing Education Program:
Introduction to Finance for Directors
August 24, 2017, Discovery Primea, Makati City

Best Practices in Parliamentary Procedures
for Public Officials
May 26, 2017, Manila Marriott Hotel, Pasay City

Professional Directors Program
March 1, 8, 9, 15, 16, 2017
Discovery Primea/Dusit Thani Hotel, Makati City



6 RENE MIJARES GONZALES
Member, NEA-BOA (2017-present)

Age: 62

Highest Educational Qualifications:
BS in PMA
Philippine Military Academy, Baguio City

Date of First Appointment/Sworn to office: May 10, 2017

Relevant Experiences prior to appointment

- Executive Director
CIRCA Security and Investigation, Inc.

- Division Chief, Intelligence
Civil Aviation Authority of the Philippines
- Department Manager, Intelligence and
Investigation ID and Pass Control
Manila International Airport Authority

Continuing Education Program:
Introduction to Finance for Directors
August 24, 2017, Discovery Primea, Makati City

Best Practices in Parliamentary Procedures
for Public Officials
May 26, 2017, Manila Marriott Hotel, Pasay City



7 ALIPIO CIRILO VILLACORTA BADELLES
Member, NEA-BOA (2017-present)

Age: 68

Highest Educational Qualifications:
Bachelor of Commerce
San Beda College, Manila

Bachelor of Laws
San Beda College, Manila

Date of First Appointment/Sworn to office: September 28, 2017

Relevant Experiences prior to appointment:

- Co-chairman, House Joint Congressional
Power Commission (JCPC)
- Chairman, Committee on Energy, 12th & 13th Congress
- Chairman, Committee on Ethics, 11th Congress
- Founder, Badelles Law Office
- President, Integrated Bar of the Philippines (IBP),
Lanao del Norte Chapter
- Governor, IBP Northern Mindanao



8 EDGARDO RAMA MASONGSONG
Member, NEA-BOA (2016-present)
Administrator, NEA (2016-present)

Age: 59

Educational Qualifications:
AB Major in Philosophy
Notre Dame University, Cotabato City

Theological Studies,
St. Francis Xavier Regional Major Seminary
(SFX-REMASE), Davao City

Date of First Appointment/Sworn to Office: November 18, 2016

Relevant Experiences prior to appointment:

- Representative, I-CARE Party-list, 16th Congress

- General Manager, Bukidnon Second Electric
Cooperative, Inc. (BUSECO)
- Assistant City Administrator, Cebu City Government
- Branch Manager, Region 7 Visayas Cooperative
Development Center (VICTO)
- Organizer of various sectors in Mindanao and worked
closely with the Consortium for Rural and Urban
Service Projects and the Parishes in Davao City and
Cotabato Provinces.

Continuing Training Program:
Asia Clean Energy Forum
June 5-8, 2017, ADB Headquarters, Mandaluyong City

Professional Directors Program
March 1, 8- 9, 15-16, 2017
Discovery Primea/Dusit Thani Hotel, Makati City

For the year, the NEA-BOA has held a total of 14 Board Meetings, of which 7 regular, 7 Quasi Judicial matters and 2 Special Board Meetings, approving 172 resolutions to the requirements of NEA, the ECs and the Rural Electrification Program as a whole.

There were 4 significant policies, codes, rules and guidelines approved by the BOA to comply with the conditions set forth by GCG, R.A. 10531 and the present industry and business trends.

Moreover, NEA Board Committees performed the following activities to improve the Good Corporate Governance Program:

1. The NEA Board Governance, Nomination and Remuneration

Committee chaired by Board Member Agustin L. Maddatu held 8 meetings and was able to approve 65 resolutions.

2. The Board Credit and Risk Management Committee chaired by Board Member Alipio Cirilo V. Badelles held 8 meetings and approved 59 resolutions.

3. The Board Audit Committee, chaired by Board Member Rene M. Gonzales held 8 meetings and approved 89 resolutions.

On behalf of the men and women of the National Electrification Administration (NEA), it is my honor to present to you the 2017 Annual Report, the first under my tenure as the Administrator of the Agency. This report highlights the NEA's major accomplishments, including a summary of the activities that have taken place throughout the year.

The NEA is cognizant of the crucial role that rural electrification plays in social and economic development. Thus, we came out with a 7-point agenda, the topmost of which is to "complete the rural electrification program." This roadmap is fully consistent with the electrification agenda of President Rodrigo R. Duterte and Energy Secretary Alfonso G. Cusi.

1. Completion of Rural Electrification Program

Since its establishment in 1969, the NEA has remained true to its mandate of bringing power to remote and rural areas, paving the way for a better life for many Filipinos across the country. As of December 2017, the Rural Electrification Program has energized 78 provinces, 90 cities, 1,385 municipalities, 36,051 barangays, 121,324 sitios, benefiting 12.186 million households or about 60 million Filipinos.

For the year 2017, the NEA, in partnership with the 121 electric cooperatives, marked a major milestone in rural electrification with the energization of the 12-millionth consumer connection. This milestone signifies our commitment in ensuring that the benefits of electricity reaches every Filipino household in the country.

To celebrate this milestone, a symbolic switch-on ceremony was held at the house of Mrs. Rocie Donggon, the beneficiary of the 12 millionth consumer connection, in Barangay Apokon, Tagum City under the coverage area of the Davao del Norte Electric Cooperative, Inc. (DANECO) on August 25, 2017 with no less than House Speaker Rep. Pantaleon Alvarez in attendance.

Despite the many challenges, the agency continues to implement the national government's electrification programs including the Sitio Electrification Program (SEP). A total of 1,079 sitios were energized as of December 2017 out of 1,834 target SEP projects for the year in the amount of P1.817 Billion.

2. EC Overall Performance Assessment and Recognition

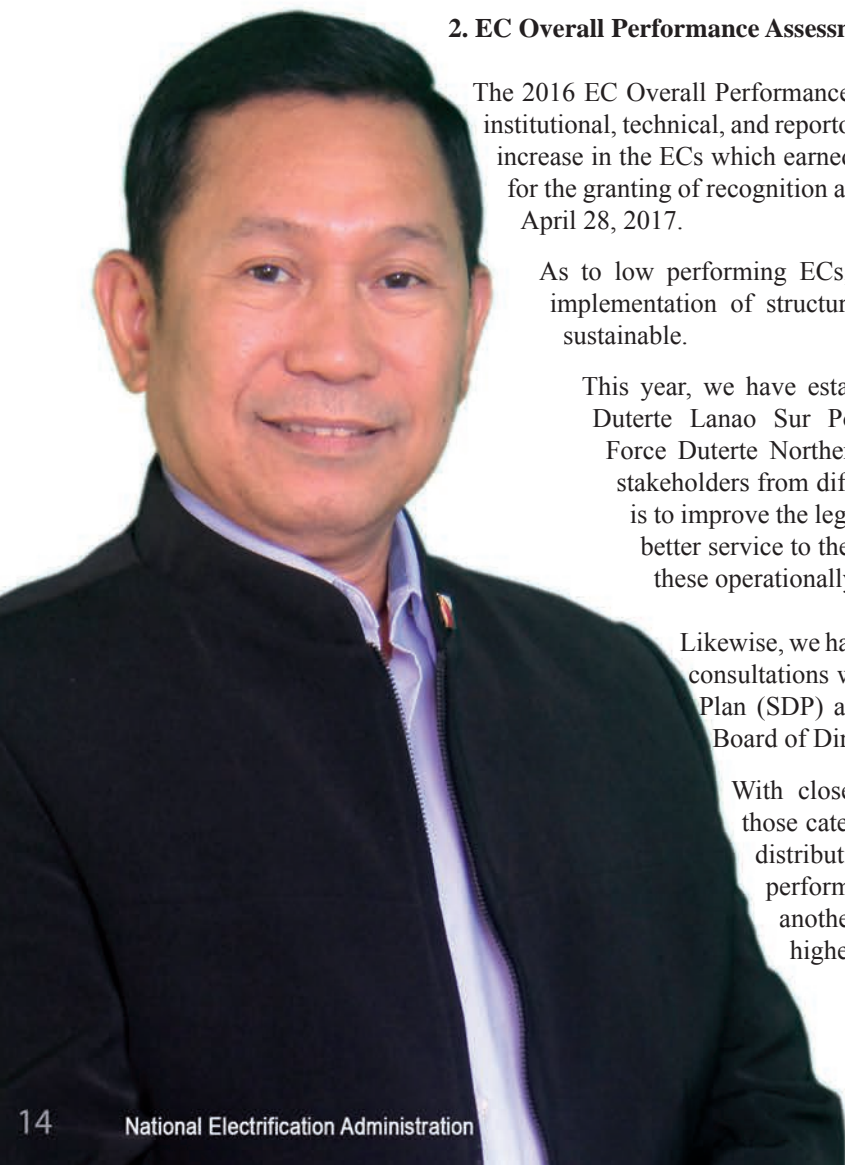
The 2016 EC Overall Performance Assessment and Size Classification covering the financial, institutional, technical, and reportorial requirements by Electric Cooperatives (ECs) showed an increase in the ECs which earned an AAA rating from 70 to 78. This result served as a basis for the granting of recognition and awards during the Lumens Awards held in Tagum City on April 28, 2017.

As to low performing ECs, we took aggressive steps in assisting them through the implementation of structural reforms for them to become operationally viable and sustainable.

This year, we have established EC Management Task Forces namely Task Force Duterte Lanao Sur Power, Task Force Duterte Rinconada Power, and Task Force Duterte Northern Davao Power. Composed of NEA representatives and stakeholders from different sectors, the main task of these operational task forces is to improve the legal, institutional, financial and technical capabilities to ensure better service to the member-consumer-owners (MCOs) as our way of assisting these operationally-challenged ECs.

Likewise, we have conducted several fora, strategic planning workshops, and consultations which resulted to the adoption of the Strategic Development Plan (SDP) and execution of Memorandum of Commitment by the EC Board of Directors, Management and Staff.

With close monitoring on the performance of the ECs especially those categorized as B and C in the implementation of SDP, some 12 distribution utilities showed dramatic improvement in their overall performance rating for 2017 with five ECs elevated into Category A, another five obtained AA rating, while two of such ECs earned the highest rating of AAA.



3. Mobilization of Task Forces

A. Task Force Kapatid (TFK)

In December 2016, super typhoons Lawin and Nina struck North Luzon, South Luzon and parts of the Bicol Region which prompted the NEA to mobilize the Task Force Kapatid to assist the eight ECs in the immediate rehabilitation of their distribution systems and hasten the restoration of electricity.

TFK is a time and tested spirit of Bayanihan among ECs' Compact of Cooperation. TFK pools together volunteers from different ECs to render volunteer service to other ECs which need technical help like energization of hard-to-reach places, to the rehabilitation of dilapidated or damaged electric distribution lines.

B. Marawi PRRD Task Force

The NEA led the launching of the Marawi Power Restoration Rapid Deployment (PRRD) Task Force for the speedy rehabilitation of damaged distribution lines and restoration of power in areas affected by the five month-long battle between the government forces and ISIS-linked Maute terrorist group in Marawi City. 34 brother-ECs from the Mindanao region readily rendered their support by way of sending skilled linemen and provision of goods and donations to LASURECO and its employees.

4. Provision of Service Facilities to ECs

A. Loan and Guarantee Services

A total of Php2.096 billion worth of loans were extended by the NEA to 52 ECs for the funding of their capital expenditure, electrification projects and for the rehabilitation of distribution systems due to typhoons.

B. Institutional Strengthening

We likewise endeavored on strengthening the Agency's institutional programs through the active involvement of the electricity consumers. Among the institutional programs we have undertaken were the formation of the Multisectoral Electrification Advisory Council (MSEAC) and member-consumer-owner (MCO) organizations in ECs.

C. Technical Capability-Building

Besides financial assistance, the NEA also extended technical assistance to ECs, particularly those who venture on the generation of alternative sources of electricity.

To prepare them in cushioning the impact of any eventualities, EC personnel underwent a series of trainings on Vulnerability and Risk Assessment (VRA) and Emergency Restoration Planning (ERP).

In addition, some 28 information, education and communication (IEC) campaigns were conducted to capacitate the ECs on the policy directions of the DOE, the introduction of net metering scheme, and use of renewable energy technologies and other innovative concepts.

5. MCO Empowerment

We are cognizant of the importance of consumer empowerment. On April 26, 2017, some 6,000 power consumers gathered for the First National Summit of Electric Consumers held in Tagum City, Davao del Norte and took their oath of membership to the National Center of Electric Cooperative Consumers (NCECCO).

NEA has been instrumental in encouraging the formation of NCECCO which serves as a national movement of ECs and member-consumer-owners (MCOs) nationwide towards strategic positioning in the power industry and in pursuit of sustainable development through rural electrification.

6. Corporate Governance

As a government institution, we strive for quality. Last December, we received our new ISO 9001:2015 certificate after successfully passing the recertification audit conducted by TÜV Rheinland on November 21 to 22, 2017. The scope of certification covers the provision of NEA services in the area of "financial, institutional, technical and legal assistance to the electric cooperatives which in turn undertake power distribution on an area coverage basis."

Moreover, the Agency continuously espouses good corporate governance as manifested in the findings of the EC Corporate Customer Satisfaction Survey conducted by Contact Asia Services Inc. (CASI) Research. The survey showed 80 percent were satisfied by the NEA's customer service. In the said survey, some 287 respondents from 54 ECs participated.

These accomplishments are clear manifestations of the burning passion of NEA and the ECs to pursue the vision and aspiration of the National Government for sustainable and inclusive growth especially in rural communities which provides people with the opportunity to enjoy the benefits that electricity brings.

For years, this privilege saw the transformation of quiet communities to bustling districts which defined and shaped the socio-economic landscape of the country particularly in the rural areas. Businesses flourished, people employment increased and lives improved brought about by the effective and efficient implementation of the Rural Electrification Program.

I firmly believe that with these and more, the government will continue to recognize the importance of the RE Program and support NEA and the ECs in the hope of realizing genuine social and economic development in rural communities thereby contributing to the attainment of the President's AmBisyon Natin 2040 for the Philippines.



EDGARDO R. MASONGSONG
Administrator

Highlights of Accomplishments

12 Millionth Consumer Connection



A milestone in the RE Program implementation as a million additional connection was translated into provision of better living condition for some 4.2 million Filipinos. Ms. Rocie Donggon, a resident of Barangay Apokon, Tagum City, Davao del Norte, was identified as the 12 millionth consumer connection in the coverage area of Davao del Norte Electric Cooperative, Inc. (DANECO).

To dramatically symbolize this achievement, a ceremonial lighting led by Administrator Edgardo R. Masongsong, Senator Sherwin T. Gatchalian, Secretary Alfonso G. Cusi and NEA Board of Administrators was held on August 2 during the NEA-EC Consultative Conference and another switch-on ceremony led by House Speaker Pantaleon D. Alvarez and Administrator Masongsong took place on August 25 at the house of Ms. Donggon.



EC Member-Consumer Owner (MCO) Empowerment

On April 26, Administrator Edgardo Masongsong led the swearing in as members of the National Center of Electric Cooperative Consumers, Inc. (NCECCO) of some 6,000 member-consumer-owners (MCOs) of ECs during the First National Summit of Electricity Consumers at the Tagum City Hall in Davao del Norte where all members signed a commitment in what is dubbed as the Tagum Declaration.

In the said gathering, the Administrator had the opportunity to update the ECs and other industry stakeholders on the latest vision, policy thrusts and strategic initiatives of the Agency anchored on the pro-people agenda of the national government.

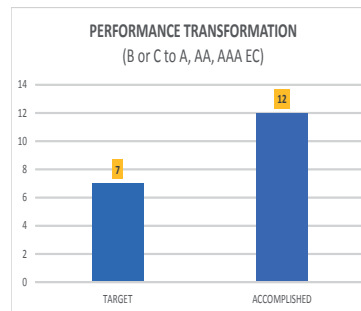
Task Forces Mobilization



On November 13, NEA launched the Marawi Power Rapid Restoration Deployment (PRRD), in cooperation with the National Center of Electric Cooperative Consumer (NCECCO) and Association of Mindanao Electric Cooperatives (AMRECO). Technical assistance was extended to LASURECO for the speedy rehabilitation of damaged distribution lines and restoration of power in areas affected by the five month-long siege in Marawi City. Financial aid to LASURECO employees was also provided.

Dubbed as Compact of Cooperation, the Task Force Kapatid (TFK) was mobilized in partnership with the ECs. The TFK has always been instrumental in the immediate restoration of power and rehabilitation of power lines to ECs struck by disasters and natural calamities.

EC Performance Transformation



Significantly, 12 ECs posted a record performance transformation to at least category "A" from a target of seven out of 26 "B" and "C" ECs representing 117% accomplishment rating.

Corporate Governance and Customer Satisfaction

In strive for service quality, on December 12, NEA received its new ISO 9001:2015 certificate after successfully passing the recertification audit conducted by TÜV Rheinland on November 21 to 22.



Corollary to this, the EC Customer Satisfaction Survey conducted by Contact Asia Services Inc. (CASI) Research to 287 respondents from 54 ECs were surveyed showed 80 percent were satisfied on the provision of services by the NEA.

The **Performance Scorecard** is one of the compliance measures required by the Governance Commission for GOCCs (GCG) from government-owned-and-controlled corporations (GOCCs). It aimed to gauge their level of productivity and efficiency and ensuring that good governance mechanisms are in place in all government institutions. Negotiated yearly between GCG and the GOCC's top management, the Performance Scorecard presents in full view the major final outputs of each corporation for the year, with their full corresponding rating.

For the year, NEA's Cluster on Corporate Governance was able to review, recommend and monitor mechanisms that enabled the timely and efficient operationalization and compliance of the Agency to GCG's requirements. Further, the Cluster also ensured the sustainability of the Agency's Performance Governance System (PGS) which was cascaded to each Government Component Unit and other strategic partners.

The Agency was able to attain a total weighted rating of 82.01 on the 14 measures included in the Performance Scorecard which has an allotted point of 70% based on the set criteria.

Meanwhile, the NEA committed to implement 16 Performance Support Measures which provide technical and administrative assistances to operations and projects. The Support Measures garnered a total of 99.92% weighted rating that represents 30% in the criteria.

Perspective	Strategic Measure	Weight (%)	2017		% WEIGHTED RATING
			Target	Actual	
Stakeholders	1 Number of completed and energized sitio projects	30	2,410	1,079	13.43
	2 Percentage of ECs adopting balanced scorecard system	5	80% (97 ECs)	70% (84 ECs)	4.35
	3 Improved EC Overall Performance Rating (2016) from "B" or "C" to at least "A" Rating	10	13	12	9.23
	4 Satisfaction Rating based on a survey conducted by a Third Party	5	Very satisfactory or its equivalent	Moderately satisfied	5.00
	5 Number of EC officials and employees graduated from certification/competency program	5	2,100	3,211	5.00
Finance	6 Amount of regular loans facilitated (PHP Billion)	8	1.700	1.792	8.00
	7 Maintain high collection efficiency (%)	7	100	100	7.00
Internal Process	8 Percentage of sitio electrification projects funded that are fully compliant with NEA standards and specifications	8	80% of projects done as of end Sept. 2017	88%	8.00
	9 Percentage of sitios completed and energized within 180 calendar days from release of funds to ECs	6	80%	88%	6.00
	10 Percentage of regular loans released within prescribed processing periods				
	10a Regular-Term Loans (within 24 days)	2	100	100	2.00
	10b Short-Term Loans (within 13 days)	2	100	100	2.00
Learning and Growth	11 Percentage of calamity loans released within 7 days	2	85	89	2.00
	14 QMS ISO Certification	5	Surveillance Audit Passed	Passed	5.00
	15 Average percentage of competencies met	5	Established baseline	Baseline established	5.00

Perspective	Strategic Measure	Weight (%)	2017		% WEIGHTED RATING
			Target	Actual	
Social Impact	1 Planning workshops on organizing MSEAC and member-consumer-owners (MCO) conducted	7	22	41	7.00
	2 Livelihood project developed/implemented	7	5	5	7.00
	3 National Center for Electric Cooperative Consumers established (Benchmarking)	7	1	1	7.00
Stakeholders	4 Electric Cooperatives				
	I. Consumer Connected	14	460,000	461,852	14.00
	II. Information-education-Communication campaign activities on Renewable Energy for ECs conducted	5	10	28	5.00
	5 Database developed for Agro-industries, Eco-Tourism	4	1	1	4.00
	6 Percentage of requests, queries and inquiries from the following offices responded to:				
	a. Office of the President	3	100	100	3.00
	b. Congress	3	100	100	3.00
	7 Reliability indices based on KPS monitored for MCO's satisfactions				
	a. SAIFI				
	i. Off-grid	2.5	30	30.84*	2.42
	ii. On-grid	2.5	25	13.23*	2.50
	b. SAIDI				
i. Off-grid	2.5	3,375	3,135*	2.50	
ii. On-grid	2.5	2,700	1,566*	2.50	

Perspective	Strategic Measure	Weight (%)	2017		% WEIGHTED RATING
			Target	Actual	
Stakeholders	8 Number of media releases issued, press briefing conducted and press conferences participated in	5	12	124	5.00
	9 Number of Green ECs	5	78	79*	5.00
	10 National Average System Loss Level monitored	5	11.12	10.66*	5.00
Finance	11 Profitability	5	Positive	Positive	5.00
	12 Debt Servicing (%)	5	100	Fully paid	5.00
	13 ECs audited (management and financial) to validate utilization of NEA loans and subsidy funds released	5	24	25	5.00
Internal Process	14 Average Response Time on Documents				
	a. Fast Lane Documents (hours)	2.5	33	26.69	2.50
	b. Regular Tracked Documents (hours)	2.5	85	50.05	2.50
	15 Number of NEA officials and employees graduated from certification/competency programs	3	500	596	3.00
Learning and Growth	16 Average performance rating of employees	2	4 (VS)	4 (VS)	2.00



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF ADMINISTRATORS

National Electrification Administration
NIA Road, Government Center
Diliman, Quezon City
1100

Report on the Financial Statements

Opinion

We have audited the accompanying financial statement of **National Electrification Administration (NEA)**, which comprise the statements on financial position as at December 31, 2017 and 2016, and the statements of financial performance, statements of changes in net assets /equity, statement of cash flows, statements of comparison of budget and actual amounts for the years then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the NEA as at December 31, 2017 and 2016, and its financial performance, cash flows and comparison of budget and actual amounts for the years then ended in accordance with Philippine Public Sector Accounting Standards (PPSAS).

Basis for Opinion

We conducted our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the NEA in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PPSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the NEA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the NEA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NEA's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAI's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on a basis of these financial statements.

As part of an audit in accordance with ISSAI's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NEA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NEA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we require to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the NEA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance regarding with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Supplementary Information Required under Revenue Regulations No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required by the Bureau of Internal Revenue on taxes, duties and license fees disclosed in Note 25 to the financial statements is presented for purposes of additional analysis and is not a required part of financial statements. Such supplementary information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all materials respects in relation to the basic financial statements taken as a whole.

COMMISSION ON AUDIT

By:


GLORINA B. SUSON
 OIC - Supervising Auditor

May 22, 2018



NATIONAL ELECTRIFICATION ADMINISTRATION
 NEA, ECs and MCOs: Partners in Rural Electrification and Development
 57 NIA Road, Government Center, Diliman, Quezon City 1100



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **NATIONAL ELECTRIFICATION ADMINISTRATION** is responsible for all information and representations contained in the accompanying Balance Sheet as of **December 31, 2017** and the related Statement of Income and Expenses and Cash Flow for the year then ended. The financial statements have been prepared in conformity with generally accepted state accounting principles and reflects amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.


SONIA B. SAN DIEGO
 Deputy Administrator for Corporate Resources and Financial Services


Edgardo R. Masongsong
 Administrator

STATEMENT OF FINANCIAL PERFORMANCE

For the Year Ended December 31, 2017

(With comparative figures for 2016)

(In Philippine Peso)

	2017	2016
REVENUE		
Service and Business Income	675,412,175	631,402,175
Total Revenue	675,412,175	631,402,175
CURRENT OPERATING EXPENSES		
Personnel Services	239,037,030	252,976,838
Maintenance and Other Operating Expenses	176,959,051	157,812,812
Financial Expenses	67,713,662	93,786,940
Total Current Operating Expenses	483,709,743	504,576,590
SURPLUS FROM CURRENT OPERATIONS	191,702,432	126,825,585
OTHER INCOME (EXPENSES)		
Gain (Loss) on Foreign Exchange	(828,987)	801,439
Other Non-Operating Income	32,666,274	35,420,319
SURPLUS BEFORE TAX	223,539,719	163,047,343
INCOME TAX EXPENSE	70,891,354	53,654,979
NET SURPLUS FOR THE PERIOD	152,648,365	109,392,364

STATEMENT OF FINANCIAL POSITION

For the Year Ended December 31, 2017

(With comparative figures for 2016)

(In Philippine Peso)

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	7,730,877,235	8,190,883,553
Receivables	5,509,913,600	9,186,819,316
Inventories	6,131,650	7,830,119
Other Assets	3,546,704	1,858,446
Total Current Assets	13,250,469,189	17,387,391,434
NON-CURRENT ASSETS		
Long Term Loans Receivable	10,340,362,067	9,414,247,980
Property, Plant and Equipment	218,121,982	232,451,020
Other Assets	4,710,503	4,710,503
Total Non-Current Assets	10,563,194,552	9,651,409,503
TOTAL ASSETS	23,813,663,741	27,038,800,937
LIABILITIES		
CURRENT LIABILITIES		
Financial Liabilities	141,678,008	110,617,791
Inter-Agency Payables	18,310,644,942	18,249,064,279
Loans Payable	-	3,797,336
Other Payables	10,038,177,016	13,603,573,077
Total Current Assets	28,490,499,966	31,967,052,483
NON-CURRENT LIABILITIES		
Deferred Credits	58,514,187	66,466,120
Total Non-Current Liabilities	58,514,187	66,466,120
TOTAL LIABILITIES	28,549,014,153	32,033,518,603
EQUITY		
TOTAL EQUITY	(4,735,350,412)	(4,994,717,666)
TOTAL LIABILITIES AND EQUITY	23,813,663,741	27,038,800,937

FINANCIAL MANAGEMENT

Finance Services

POSITIVE RESULTS OF OPERATIONS

For 13 consecutive years, NEA sustained positive results in its operations. In 2017, total operating and service income amounted to Php675.41 million while total operating expenses amounted to Php483.71 million resulting to a Net Income from operation of Php191.70 million.

Result of CY 2017 Operation



SUBSIDY MANAGEMENT

For the year, NEA received a total amount of Php2.050 Billion subsidy fund from the National Government (NG), through the Department of Budget and Management (DBM). Sitio Electrification Program (SEP) got the biggest chunk amounting to Php1.745 billion or 85% of the total subsidy.

To address the urgent need to rehabilitate distribution lines and restore electric service to member consumers in the coverage area of 10 electric cooperatives (ECs) severely damaged by Typhoon "Nina", NEA also received Php200.00 million Quick Response Fund (QRF) under the National Disaster Risk Reduction and Management (NDRRM) Fund.

NEA also received calamity grant from NDRRM Fund of Php48.136 million for the rehabilitation of distribution system/facilities of BATANELCO damaged by Typhoon "Ferdie", Php34.360 million to cover provision of electric service to 148,258 housing units in the NHA resettlement sites in Typhoon Yolanda-affected areas, Php15.865 million for the construction of 13.2 KV power distribution lines and installation of KWH meters in the NHA Transitional Shelter Sites (TSS) in Marawi City, Lanao del Sur and Php7 Million for the installation of transformers in Public Schools within the coverage area of BATELEC II.

COLLECTION PERFORMANCE

NEA posted a total collection for this year's operation the amount of Php2.259 billion against amortizations due of Php2.254 billion or collection efficiency of 100%.

The top paying ECs with availed loans excluding Short Term Credit Facility (STCF) and Standby Credit Facility (SCF) are the following:

1.	CENPELCO	Php108.855M
2.	FIBECO	75.043
3.	BATELEC II	58.591
4.	BENECO*	53.246
5.	NEECO II-A2	52.232

*Full payment of remaining RE loans except Php100M SEP.

REMITTANCE TO THE NATIONAL GOVERNMENT

In compliance with National Internal Revenue Code of the Philippines as provided under Republic Act No. 8424 or the Tax Reform Act of 1997, NEA remitted to the Bureau of Internal Revenue (BIR) the amount of Php69.71 million as payment of Corporate Income Tax for CY 2017.

Meanwhile, as required under Section 5 of RA 7656 or the GOCC Dividend Law, NEA shall remit to the Bureau of Treasury (BTr) a total amount of Php86.90 million representing payment of 50% Dividends due based on CY 2017 net earnings.



NEA is one of the agencies which strictly adheres to government directives and complies with all statutory requirements and fulfills its responsibility on corporate citizenship which merited recognitions and citations from regulatory bodies like the Commission on Audit (COA).

LOANS FACILITATION

As part of the Agency's mandate to help the ECs become competitive in the electricity industry, NEA, through its Accounts Management and Guarantee Department (AMGD) facilitated loans aggregating PhP2.096 billion to 52 ECs or an average of PhP40 million per EC. Table 1 shows the distribution of loan availments of the ECs.

TABLE 1

Loan Facility	Amount (Php'M)	No. of ECs
1 Short-Term Credit Facility (STCF)/ Stand-By Credit Facility (SCF)	192 (average per month)	5
2 RE- Capital Expenditure Projects	1,298	41
3 RE-Working Capital	263	8
4 Modular Generator Sets	39	1
5 Calamity	304	14
Total	2,096	52

AVERAGE LOAN PROCESSING TIME

To guarantee efficient, effective and prompt assistance to EC's loan request, NEA is committed to facilitate ECs' requests within the set standard at an average number of working days of 10 and 6 for regular loan and calamity loan, respectively.

For the year, NEA was able to facilitate loans to ECs within 8.65 days for regular loans and 5.48 days for calamity loans clearly showing that the loan processing had been facilitated promptly and efficiently.

FOREIGN LOAN DEBT SERVICING

On April 11, 2017, NEA paid to Bureau of Treasury (BTR) the amount of PhP25 million for the remaining outstanding foreign loan (USAID), thus, making all foreign loans fully settled.

(Note: USAID Loan 492-T-043 was contracted on August 6, 1976 for the construction of new rural electric cooperatives, in addition to the existing ECs and further development of the institutional and managerial capability of NEA. The first payment was made on April 11, 1987.)

CONVERSION OF NG ADVANCES INTO SUBSIDY

Due to NEA's financial difficulties, the NG advanced the payment of interest and principal amortization for NEA's foreign loan obligations covering the period 1985-2006 which accumulated to PhP18.162B.

The Department of Finance (DOF), in its letter of November 28, 2017, approved NEA's request for the conversion of NG advances into Subsidy as follows:

Amount requested	PhP18,162.21M
Less: DOF's approval	14,915.57
Balance	PhP 3,246.64M

The balance is payable in 4 years on a quarterly basis starting March 2018 up to March 2021, with 3.5% interest rate per annum.

As of December 31, 2017, the Inter-Agency Payables-Due to National Treasury account will be reduced to PhP3.36 billion from PhP18.162 billion pending issuance of Special Allotment Release Order (SARO) by the Department of Budget and Management (DBM).

Likewise, Retained Earnings account improved from a negative of PhP9.9 billion to a positive PhP5.2 billion as of year 2017.

CONVERSION OF CALAMITY LOANS INTO GRANT

NEA is releasing calamity loans to ECs funded by internally generated funds (IGF) for the rehabilitation of damaged distribution lines caused by typhoons, earthquakes, and other natural calamities so that immediate restoration of power in the coverage areas may be effected.

NEA also endorses the requests of ECs for calamity grants to DOE/NDRRMC. Upon receipt of calamity subsidy fund provided by the National Government (NG) to the ECs, NEA converts calamity loans released to ECs into subsidy/grant but not to exceed the amount appropriated by the NG, subject to final inspection/evaluation and proper liquidation.

In 2017, the Agency received PhP200 million from NDRRMC-QRF. The NEA Board of Administrators approved the conversion of Calamity Loan-Typhoon Nina of seven (7) ECs into grant amounting to PhP157 million as shown in Table 2.

The balance of PhP43 million was released as Calamity Grant to ALECO and CASURECO III.

TABLE 2

EC	Amount (Php'M)
1 MARELCO	10
2 ORMECO	29
3 QUEZELCO I	7
4 CASURECO I	8
5 CASURECO II	17
6 CASURECO IV	61
7 FICELCO	25
TOTAL	157

SUBSIDY RELEASES AND LIQUIDATION

NEA released subsidy funds amounting to PhP1.9 billion to 91 ECs for the attainment of total electrification of the countryside under the Sitio Electrification Program (SEP), Barangay Line Enhancement Program (BLEP), and Calamity Grants projects.

Calamity grants are subsidy funds given to affected ECs to provide assistance for the immediate restoration of power and rehabilitation of damaged distribution system. These subsidy funds are subject to liquidation following COA rules and regulations.

The total amount of liquidation of subsidy funds released to ECs amounted to PhP 5.778 billion.



INSTITUTIONAL STRENGTHENING

2017 has been a busy year for NEA particularly on enhancing the ECs' institutional capability. The Agency, through its Institutional Development Department (IDD), initiated significant strategies to capacitate the ECs and empower the electricity consumers to support the national government's socio-economic agenda through the Rural Electrification Program.

POLICY GUIDELINES FORMULATION

For the year, NEA formulated and issued a total of 11 Institutional Advisories and Memoranda on various policy guidelines focused on ensuring compliance to national directives. These issuances were geared toward total electrification of the country, strict adherence to good governance principles, EC capacity building, and compliance to rules and regulations. All these are published in the Agency Website for easy access by the ECs and stakeholders.

ORGANIZATIONAL MANAGEMENT AND DEVELOPMENT

In the effort to strengthen the ECs, NEA extended assistance in the evaluation of the reorganization of 15 ECs. Likewise, proposed reorganization of five ECs were duly processed and approved.

Moreover, 11 ECs were capacitated on adopting Individual Performance Evaluation System (PES) using the Balanced Scorecard.

Most importantly, NEA formulated and instituted a policy prescribing a uniform set of standards for the selection, hiring and termination of service/suspension process of an EC General Manager.

The selection and hiring of EC-GMs is a tedious process. It goes through a layer of activities before the right person for the right job is chosen to take rein of the EC operation.



For the year, seven vacant positions for General Manager were advertised. Applicants from eight ECs were assisted for the qualifying examinations. Initial Interviews were done by the NEA Screening Committee in seven ECs. Background Investigations were conducted. Applicants with no derogatory record were subjected to final interview by the NEA Board of Administrators.

After undergoing the process, NEA confirmed probationary appointment of EC-GMs. Meanwhile, nine permanent appointment of GMs were confirmed. There were also 12 Officers-in-Charge confirmed for the year 2017.



EC HUMAN RESOURCE STRENGTHENING

On EC human resource strengthening, NEA evaluated 14 employees salary upgrading plans from ANTECO, CEBECO I, CEBECO II, MOELCI II, CASURECO IV, SORECO II, DANECO, SULECO, MARELCO, ILECO I, CASURECO I, BOHECO II, QUIRELCO and LASURECO. There were also 115 policies that were duly approved after evaluation.

To provide additional assistance to ECs, the designation of officers as Project Supervisor, Acting General Manager, NEA Representative, MSEAC nominee to the Board from CASURECO II, III, MASELCO, BUSECO, ORMECO, NORECO I and DORELCO were also confirmed.

Moreover, upon request of SORECO I, NEA evaluated the early retirement program of said EC to ensure its sustainability as well as the accountability and transparency of its organization.

Two hundred ninety nine (299) assistances were rendered to different ECs on the conduct of their District Elections (DEs) which comes in the form of Briefing, DECOM Appointment, Queries, Board Resolutions passed re: DE and other related activities.

There were five (5) Consultative conferences/meetings conducted with EC Institutional Services Department (ISD) on the proposed institutional policies for appropriate deliberation and feed backing.

MEMBER-CONSUMER EMPOWERMENT

Member-consumers are the lifeblood of an EC: a truism of cooperatives. An EC exists to serve the needs of its member-consumer-owners (MCOs) as they are their lifeblood. This is especially true to the Electric Coops. In the pursuit of empowering the MCOs, NEA assisted in organizing the Multi-Sectoral Electrification Advisory Council (MSEACs) and the Member-Consumer-Owner (MCOs) of the ECs.

These initiatives were in response to the thrust of the present Administration to uplift the economic condition of the Filipino citizens. The organization of MSEAC and

MCOs provide the opportunities to generate income by downloading of operational services to the MCOs like collections, distribution of notices of disconnection, right of way clearing and through access to livelihood programs that will sustain their everyday living specially for the settlement of power bills. Organized MSEACs and MCOs serve as the extending arm of the ECs in the implementation of their corporate mandate of sustainable rural development. Likewise, they complement the ECs in the implementation of their vision, mission and goals.

Further, NEA assisted the ECs in conducting briefing/ seminar to all organized MSEACs on their duties and responsibilities and to EC employees on the organization of MCOs. These activities were focused on the crafting of Sectoral Commitments emphasizing the role that the MSEAC play in the organization of the MCOs. In 2017, MSEAC and MCO organized reached 24 and 17 respectively, substantially exceeding the target of 10 each for the year.

Close monitoring were done to check on the effectiveness and sustainability of these organized MCOs. Of the 17 ECs with organized MCOs, two of which were able to sustain the organization of MCOs in gradual development. MORESCO II was able to organize 97% barangays and has downloaded the EC activities of collection, distribution of notices of disconnection and right of way clearing which made significant effect particularly on income generation for the MCO. Meanwhile, ISELCO I has organized 80% of the total barangays. Massive oath taking of these two ECs with organized MCOs in the barangays were done in September and October 2017, respectively.

EC OPERATIONAL IMPROVEMENT

In 2017, breakthrough accomplishments became evident in the operations of the ECs realized through innovative approaches implemented such as drawing of Strategic Development Plans (SDP) as an outcome of the workshops conducted for the purpose.

The conduct of the SDP Workshop for Category “B” and “C” ECs on January 5-6, 2017 paved the way for the dramatic improvement of ECs. Significantly, from a target of seven out of 26 “B” and “C” ECs, 12 ECs posted a record performance transformation to A-5, AA-5 and AAA-2.

TARGET	ACCOMPLISHED	PERCENT
7	12	171%

The SDP workshop involved the signing of Memorandum of Commitment by concerned ECs.

In 2017, also witnessed the creation of crucial and pivotal Task Forces (TF) to operationally-challenged ECs. As a unique and pioneering strategy involving experts from neighboring ECs and well-respected concerned citizens including financial, institutional and technical staff from the NEA, three TFs were established and operationalized namely) Task Force Duterte Lanao Sur Power for LASURECO, Task Force Duterte RINCONADA for CASURECO III, and Task Force Duterte Davao Power for DANECO.

The establishment of these TFs served to address management concerns and the resolution of conflicts and crises long-sought by local officials and prominent leaders from various sectors of society.

MANAGEMENT ASSISTANCE

Further, the NEA, through its Management Consultancy Services Office (MCSO), continued to provide necessary assistance to other ECs through the deployment and designation of NEA management experts to assist in the efficient and effective operations of the ECs as shown in

For 2017, 10 NEA experts were designated to five ECs namely CASURECO II, CASURECO III, MASELCO, NORECO I, and ORMECO who acted as Project Supervisors (PSSs), Acting General Managers (AGMs) and Assists to the PS/ AGMs.



SITIO ELECTRIFICATION PROGRAM (SEP)

A total of 1,079 sitio projects were completed/energized with initial household connection (HHC) of 6,986. Sixty-nine (69) ECs participated in the implementation of these projects. Table 3 shows these SEP projects.

TABLE 3

Region	Completed/ Energized	Initial HHC
I	30	97
II	76	1,394
III	54	528
CAR	52	14
IV-A	24	48
IV-B	81	139
V	37	46
LUZON	354	2,266
VI	109	537
VII	244	3156
VIII	33	271
VISAYAS	386	3,964
IX	25	0
X	64	40
XI	69	393
XII	75	93
ARMM	16	0
CARAGA	90	230
MINDANAO	339	756
GRAND TOTAL	1,079	6,986

Energization of completed projects is on-going as the potential households are still processing the LGUs and EC's requirements for electricity service connection.

BARANGAY LINE ENHANCEMENT PROGRAM (BLEP)

Forty-eight (48) barangays under the coverage areas of 13 ECs which were previously energized thru off-grid technology were finally connected to the grid. Likewise, distribution lines in the four barangays which served as tapping point of the new extended lines for sitios were improved/upgraded to ensure power reliability, two projects of BLEP for ZAMSURECO and one project each for IFELCO and BUSECO.

To boost the tourism economy in Siargao Island, submarine cables were installed connecting Barangays Corrigedor in the towns of Dapa and Daku of the Municipality of General Luna to mainland Siargao.

ELECTRIFICATION OF NHA RESETTLEMENT SITES

Distribution lines which will serve as tapping point to electrify/energize one hundred twenty three (123) National Housing Authority (NHA) Resettlement Sites for Typhoon Yolanda affected beneficiaries were completed/energized and/or ready for tapping.

On December 6, the National Government (NG) approved the allocation of Php509 Million to facilitate the connection of those potential beneficiaries who have no capacity to pay the cost of kwh meter, service drop and fees for electric service connection (membership, connection and bill deposit). Such funding from the NG made it possible to connect the 203,735 housing units at the aforesaid NHA Resettlement Sites.

Evaluation of budget request from ECs were processed and 4,956 housing units were energized as of December 31, 2017.



ELECTRIFICATION OF SCHOOL BUILDING

Under the 2017 General Appropriations Act (GAA), Php7 million budget was allocated for the installation of transformers and kwh meters to improve the power reliability in 42 public schools in Lipa City. This project was completed and issued with Certificate of Final Inspection and Acceptance (CFIA).

FINAL INSPECTION AND ACCEPTANCE of SEP and BLEP PROJECTS

Despite the geographical location of the sitios and barangays, bad weather condition problem on road network/accessibility, a total of 2,095 sitio projects and 247 barangay line enhancement projects were inspected and accepted by NEA's hardworking engineers/project officers. Also inspected were the completed rehabilitation works of the DX line in four ECs affected/damaged by Typhoon Yolanda.

CAPACITY-BUILDING ON VULNERABILITY AND RISK ASSESSMENT AND EMERGENCY RESTORATION PLANNING FOR ECS

For 2017, four batches of training on vulnerability and risk assessment and emergency restoration planning were conducted. This was to prepare ECs and build-up their capabilities during emergency occurrences brought about by calamities and other man-made situations, as follows:

September 12-13	Regions I, II, III and CAR
September 14-15	Regions IV and V
September 26-27	Regions VI to VIII
September 28-29	Regions IX, XII, CARAGA and ARMM

Likewise, these activities were undertaken to guide them in the Adoption of Energy Resiliency in the Planning and Programming of ECs to Mitigate the Impacts of Disasters as directed by the Department of Energy through DOE-DC No. 2018-01-0001.

FACILITATION OF GRANTS

JICA Grant: Project For the Improvement of Equipment for Power Distribution in Bangsamoro Area

This project was signed on March 23, 2017 between the Government of Japan and the Government of the Republic of the Philippines with the end view of promoting the economic and social development of the Republic of the Philippines particularly in the Bangsamoro area.

The Japan International Cooperation Agency (JICA) and National Economic and Development Authority (NEDA) of the Philippines entered into an agreement on March 30, 2017 to conclude the grant amounting to JPY771,000,000.

The purpose of the grant is to contribute in the Implementation of the Project for Improvement of Equipment for Power Distribution in Bangsamoro Area which to be implemented by Nizhisawa, Ltd., a Japanese general trading company.

Nizhisawa will supply and deliver the power distribution materials and equipment that includes 16 units of boom trucks, 425 units transformers, poles, and others. It will also hold training for personnel of recipient ECs on the handling of insulated wires and operation of boom trucks.

NEA is the executing agency in the implementation of the Project on behalf of the six ECs in the ARMM region that include Lanao Sur Electric Cooperative, Inc. (LASURECO), Maguindanao Electric Cooperative, Inc. (MAGELCO), Basilan Electric Cooperative, Inc. (BASELCO), Sulu Electric Cooperative, Inc. (SULECO), Tawi-tawi Electric Cooperative, Inc. (TAWELCO) and Siasi Island Electric Cooperative, Inc. (SIASELCO).

JICA Collaboration: Distribution Network Management System

Another project with JICA was the Collaboration Program with the Private Sector for Disseminating Japanese Technologies for Electricity Distribution System and Management's Collaboration Program which will be implemented together with Takaoka Toko Co. Ltd. (TKTK).

This Collaboration Program was aimed at improving distribution system reliability of ECs with DNMS and providing information of advance technologies of distribution network planning, its operation and maintenance (O&M) in Japan. Specifically, it was geared towards reducing the number and duration of power outage.

A demonstration of Distribution Network Management System (DNMS) was done in Batangas II Electric Cooperative, Inc. (BATELEC II) as Pilot Project to show the effectiveness of DNMS and to better understand system configuration and operation respectively.

KEPCO Grant: Project on Upgrading of Distribution Voltage

The Korean Government through the Korea Institute for Advancement of Technology (KIAT) partnered with NEA in the Implementation of a Pilot Project for Voltage Upgrade from 13.2kV to 23kV in Ilocos Norte.

The US\$3 Million grant was for the purpose of upgrading Burgos' substations two distribution feeder voltages from 13.2 kV to 23 kV including installation of 10 MVA 69 kV/22.9 kV, its necessary protection and metering under the area coverage of Ilocos Norte Electric Cooperative, Inc. (INEC).

In addition, the existing line hardware and special equipment such as automatic circuit reclosers, lighting arresters, isolation switches and transformers will be replaced to conform to the 22.0 kV voltage level.

Korea Electric Power Corporation (KEPCO) and Bosung Powertec Co., Ltd. were tapped to work with INEC in the implementation of this project.

The two-year-long project likewise seeks to contribute to the industrial cooperation and exchange in industrial technology and experts in the electrification sector between the Philippines and Korea.





EC TECHNICAL CAPACITY BUILDING

INFORMATION, EDUCATION AND COMMUNICATION (IEC) CAMPAIGN ON NET METERING IMPLEMENTING RULES AND INTERCONNECTION STANDARDS

Pursuant to the ERC Resolution No. 09, Series of 2013 approving the rules enabling the net-metering program for renewable energy which took effect on 24 July 2013, NEA, through the Office of Renewable Energy Development, conducted 28 seminar-workshops entitled the “Implementing Net-Metering Rules and Interconnection Standards” for Electric Cooperatives (ECs).

Net-Metering allows customers of Distribution Utilities (DUs) to install an on-site Renewable Energy (RE) facility not exceeding 100 kilowatts (kW) in capacity to generate electricity for their own use. Any electricity generated that is not consumed by the customer is automatically exported to the DU’s distribution system and gives a peso credit for the excess electricity received equivalent to the DU’s blended generation cost, excluding other generation adjustments, and deducts the credits earned to the customer’s electricity bill. It is applicable only to on-grid systems, or the DUs connected to the transmission grid.

By generating electricity for own use, customers can reduce the amount of electricity they buy from their local DU. The rate of savings (or avoided cost) realized on electricity generated from own use is equivalent to the DU’s retail rate consisting of charges for generation, transmission, system loss, distribution, subsidies, taxes and other charges.

RENEWABLE ENERGY MINI-GRIDS AND DISTRIBUTED GENERATION WORKSHOP FOR EC

There are constraints in providing reliable and adequate electrification services in remote and isolated areas, as well as in assuring power supply sufficiency in the ECs franchise area. In the effort to provide the ECs sufficient awareness, tools and capabilities in developing renewable energy mini-grids and distributed power generation projects, NEA initiated a capacity building program for ECs. This capacity building effort



was held on 21-23 June 2017 to enable ECs improve their operations as well as undertake and expand its rural electrification activities to serve “missionary” or unviable areas within their franchise.

NEA implemented a pilot project in Cobrador Island, Romblon, showcasing a renewable energy-based (RE) system in tandem with the existing diesel power plants undertaken in partnership with the Asian Development Bank (ADB). This project aimed to scale-up the initial effort and assist ECs to hybridize existing NPC-SPUG facilities where these ECs operate. The ECs, therefore, took the role of a generator and distributor of power either by themselves or in partnership with private sector investors.

RENEWABLE ENERGY HYBRID PROJECT OF MALALISON ISLAND, ANTIQUE

Another project in partnership with ADB to promote its program of Energy for All Partnership to implement projects intended to retrofit or hybridize the diesel generation facilities of target areas was undertaken. The ADB conducted a feasibility study that indicated commercial viability of undertaking a RE Hybrid Project (diesel-solar generation) in Malalison Island by an EC-private sector participation through a Joint Venture.

Malalison Island is within the franchise coverage area of ANTECO which operates a 25-kilowatt (kW) diesel generator to provide electricity in the island.

This RE hybridization project shall cause to upgrade ANTECO’s existing 25 kW diesel power generation facility. By hybridizing the system with 50kWp solar photovoltaic (PV) backed-up with 273 kWh lithium-ion (li-ion) battery system, this upgraded set-up will allow the solar PV to generate sufficient power during the day while energy stored in lithium-ion batteries or energy storage system (ESS) will provide power at night. The diesel generator will be used as back-up power in case of insufficient solar generation, assuring full 24-hours of reliable electricity services, up from just 4 hours of electricity service.

One Renewable Energy Enterprise, Inc. (OREEI) was selected as the Joint Venture partner of ANTECO pursuant to a Competitive Selection Process (CSP) conducted by the EC. The Joint Venture Agreement (JVA) between ANTECO and OREEI for power generation in Malalison Island was executed on July 19, 2017.

SOLAR PV MAINSTREAMING PROGRAM

The Philippines received grant proceeds from the European Union (EU) to implement the EU-Philippines “Access to Sustainable Energy Programme” (ASEP) in support of the Philippine Government efforts to offer solutions that will increase access to electricity, integrate renewable energy in on and off-grid areas and promote energy efficiency.

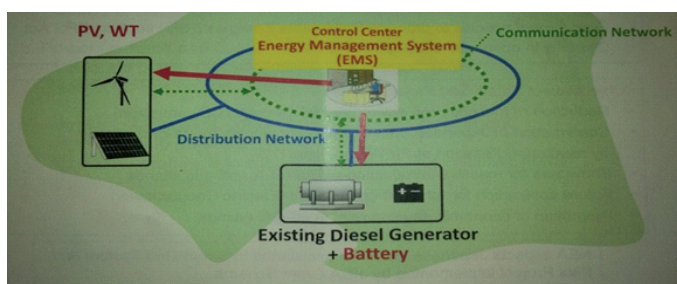
One of ASEP's components is the Investment Support for the DOE's Solar Photovoltaic (PV) Mainstreaming Program or PVM. In this off-grid electrification scheme, the EC shall operate and maintain individual solar home systems (SHS) to dispersed households in their remote and off-grid areas for a fixed monthly tariff approved by the Energy Regulatory Commission (ERC).

The PVM is being co-implemented by the DOE with the NEA, through the ECs. LGUGC, as the Program Fund Manager, conducted the competitive bidding process for the selection of the winning solar PV Contractor. The PVM Contract includes the provision of supplies, installation of the units, and training of ECs and local technicians.

The beneficiaries of this project which commenced in June 2017 are Cotabato Electric Cooperative, Inc. (COTELCO), Davao del Sur Cooperative, Inc. (DASURECO), South Cotabato II Electric Cooperative, Inc. (SOCOTECO II) and Sultan Kudarat Electric Cooperative, Inc. (SUKECO) for a total of 10,000 SHS. Plug Sun Philippines and Complant-Lemi Consortium were tapped to undertake this project. A Memorandum of Understanding (MOU) between the two winning suppliers and four participating ECs were signed on December 15, 2017. The target installation of all SHS for Window I will be in the 1st semester of 2018.

FICELCO APPLICATION FOR GRANT AID (JICA)

In keeping with its mandate and the government's goal of inclusive growth, NEA enjoined the ECs to improve the quality of their services and expand energy access to remote, marginalized and unviable areas. The introduction of RE to the system would be the best solution to access sustainable energy for all more so in the areas where geographical isolation entails high cost of power generations. Therefore, NEA encouraged ECs to engage in renewable energy projects.



NEA received from Takaoka Toko Co., Ltd. a proposal of Smart Grid Power System Project with Energy Management System and Integrated Renewable Energies for off-grid Island in Philippines. The selected location of the pilot project is in the Island of Catanduanes, it being suitable for the moderate demand scale (Max 8MW), with good condition of existing power plants (Diesel and Hydro), good accessibility and port facilities. Catanduanes Island is within the franchise coverage area of First Catanduanes Electric Cooperative (FICELCO).

NEA assisted FICELCO in the application for grant aid from Japan International Cooperation Agency (JICA) to support the funding of the project.

SOLAR POWERED DRINKING WATER



Likewise, NEA received grant proceeds from the Asian Development Bank (ADB) for the project: "Solar-Powered Atmospheric Water Generators (SPA WG)". From the companies invited to submit price quotations, the Project was awarded to the Zero Mass Water, Inc. (ZMW). The ZMW has a technology called "SOURCE", a rooftop solar device that produces water instead of just electricity. It is completely off-grid and self-contained, creating drinking water from just sunlight and air. This new technology can help to address the inadequate infrastructure to deliver safe and clean drinking water in remote areas.

There were a total of twenty-eight (28) SOURCE units, eight (8) of which were already installed in the rooftop of NEA and another four will be installed in NEA FIBECO Satellite Office. Pilot units to serve as platform to showcase the project are distributed to ASELCO with eight and four each to BOHECO and DASURECO, with the remaining units for dispatch to three ECs where potable water is a major need.

RENEWABLE ENERGY INVESTORS AND BUSINESSES CONFERENCE/RE EXHIBIT

In recognition of the significant role of renewable energy (RE) technologies in the rural electrification program, NEA held its first Renewable Energy Investors and Businesses Conference on August 3, 2017 and RE Exhibit on August 1-3, 2017 during the celebration of the 8th National Electrification Awareness Month and 48th NEA Anniversary.

The Exhibit on one hand, promoted the development and utilization of RE resources as well as showcase RE projects that are sustainable and bankable.

The Conference, on the other hand, created a venue for regulators, investors and ECs to meet and discuss potential RE projects and the regulations governing them.

The said activity was attended by different RE investors and businesses and they were given an opportunity to present their own technology. 763 participants from different ECs came to witness the aforesaid events.

INPUTS FOR LEGISLATION

In the effort to protect the causes of the ECs and capacitate them to correspondingly provide the necessary efficient electricity service to the rural people, NEA submitted the proposed bill for sponsorship of Senator Sherwin T. Gatchalian and Congressman Lord Allan Q. Velasco’s office on November 29, 2017, entitled *“An Act Establishing the Lineman Training Academy of the Philippines, Providing for its Powers, Structures, Appropriating funds Therefore, and for Other Purposes”*.

PARTICIPATION IN COMMITTEE HEARINGS/MEETINGS IN BOTH HOUSES

For the year, a total of 20 hearings/committee meetings in both houses were attended/participated in to share inputs on the bills that focused primarily on energy-related issues like reduction of electricity rates, VAT exemption on system loss, reforms in the procurement by distribution utilities of supply for the captive market and other prevailing issues.

PREPARATION OF POSITION PAPERS AND COMMENTS/OPINIONS ON BILLS AFFECTING NEA AND THE ECs

Aside from providing inputs during committee hearings in both houses, NEA has also provided comments on proposed bills affecting it and the ECs through 14 position papers prepared and submitted.

NEA ADCOM RULES and EC ELECTION GUIDELINES.

Pursuant to Section 7 of the Implementing Rules and Regulations of RA 10531, NEA is tasked to exercise quasi-judicial functions and shall have primary and exclusive

jurisdiction over administrative cases relative to: 1) complaints against EC officers like including all those cases or investigations or other similar actions arising from the NEA’s exercise of its motu proprio powers as provided in Section 6 of the Act. The EC officers referred to are the Members of the Board of Directors, General Managers, Department Managers, Sub-Office Area Managers, Members of the Bid and Awards Committee and other designated officers with functions or rank equivalent to any one of those enumerated earlier, 2) election disputes involving any elective officer of an EC , and 3) cases or disputes involving any matter relating to the effective implementation of the provisions of the Act.

To make it more responsive to the needs of the current times, the NEA Adcom Rules and EC Election Guidelines was revised. This was to ensure that all major issues and concerns were sufficiently addressed.

ADCOM CASES RESOLUTION

In 2017, a total of 11 ADCOM cases of EC officials were resolved and/or dismissed.

ELECTION PROTEST

Some 20 legal assistances were likewise provided on the draft of Resolutions to Electoral Protests..

FAVORABLE COURT DECISIONS

Moreover, NEA, in partnership with the OSG and OGCC, obtained 18 favorable decisions for cases filed with the Supreme Court, Court of Appeals, Office of the Ombudsman, National Labor Relations Council and other civil court, as shown below:



COURT	NO. OF DECISIONS
Supreme Court	6
Court of Appeals	7
Ombudsman	2
National Labor Relations Council	2
Civil Court	1
TOTAL	18

To support the government in its endeavour towards good governance, a strong and effective internal control system needs to be in place. This is to aid the management to perform its function of directing the activities efficiently and effectively. The Internal Quality Standards and Management Office (IAQSMO) being the overseers of NEA makes possible the prevention and detection of fraud, waste and errors. IAQSMO prepared a total of forty six (46) reports discussed/ approved by the Board Audit Committee and confirmed by the Board of Administrators, the highlights of which are as follows:

COMPLIANCE TO EXISTING LAWS, RULES AND REGULATIONS

To guarantee that the Agency's functions are in accordance with the established policies rules and regulations, IAQSMO conducted 17 audit on compliance to NEA's Citizen's Charter, Manual of Approvals (MANAP), Policies, Systems and Procedures on various departments of NEA.

APPRAISAL/EVALUATION OF ORGANIZATION PERFORMANCE.

To ensure that set goals /defined objectives were attained, Departmental Scorecards for the 2nd Semester of 2016 and 1st Semester of 2017 were validated. Also, four special audit requested by the Management and BAC were noted/approved. One of this special audit paved the way in the crafting of the Revised Policy on Selection, Hiring and Termination of Service/Suspension for GMs.

RELIABILITY AND ACCURACY OF ACCOUNTING DATA

Ascertaining the degree of dependability and correctness of financial and non-financial information of past and present transactions were also earmarked by IAQSMO. As such, it audited three financial accounts and simultaneously monitored previous audit recommendations on financial accounts. A Revised Guidelines/Procedures and Accounting System on Training Funds was passed and approved by the BOA. Also, thirty six (36) COA - Audit Observation Memoranda and NEA Management compliance and responses were reported.

ECONOMICAL, EFFICIENT, EFFECTIVE AND ETHICAL AUDITORS

To be able to perform functions and tasks using the least amount of resources within the specified timeframe, skills development and improvement of human relations were honed. At the NEA, it is ensured that the staff had

Compliance with existing laws, rules, regulations & processes	
NEA Citizen's Charter (NCC)	4
Manual of Approvals (MANAP)	7
Policies	3
Systems/Procedures	3
Appraisal/Evaluation of Organization performance	
Validation of Departmental Scorecards	1
Special Audit (as requested by Mgt/BAC)	4
Reliability and accuracy of accounting data	
Audit of Financial Accounts	3
Mgt Compliance and Responses to COA AOM	1
Monitoring Report on Financial Accounts	2
Economical, efficient, effective and ethical Auditors	
Seminars Attended	20
Average Performance Rating of Employees	4.91
Committees/Events Meeting Attended	28
Safeguard government assets	
SEP Subsidy Funds (196 sitios)	1
Validation of Energized Sitios (154 sitios)	6
Validation of Household Connected (3,338 household)	6
Monitoring Report on Audit Recommendations re:SEP	5

undergone seminars/trainings which enabled them to deal with the auditees more effectively. These trainings mentored each staff towards the attainment of the goals and objectives.

SAFEGUARD GOVERNMENT ASSETS

To ensure judicious use of government funds, facilities, including documents, records and human resources in the delivery of public services, a report on SEP subsidy funds released to 196 sitios was submitted.

Likewise, 154 sitios and 3,338 households connected were diligently validated to have been delivered with the fruits of SEP. Lastly, five (5) audit reports were monitored to ensure that previous recommendations were acted upon.

Electric Cooperative Audit

audit

In the exercise of its powers of supervision and control over ECs in the country, including those registered under the Cooperative Development Authority (CDA), the NEA, through the Electric Cooperatives Audit Department (ECAD), conducts regular audit to ECs which has provided vital informations to top management in its decision-making.

FINANCIAL AND MANAGEMENT AUDIT

For 2017, a total of 25 ECs underwent performance audit. In the course of the audit, the compliance of ECs to previous audit recommendations and action plans were monitored. Mentoring sessions were conducted to concerned EC to help them improve their accounting and internal control systems.

WRITE-OFF OF CONSUMERS' ACCOUNTS RECEIVABLES AND WORTHLESS ACCOUNTS



The evaluation of the request for write-off of Consumers Accounts Receivables and Worthless Accounts based on NEA Guidelines from 46 ECs were promptly responded. These will help improve their financial conditions.

To improve the ECs' operating budget requirements, requests from 30 ECs for the evaluation of floor price for the disposal of Non Performing Assets amounting to Php38,863,957.94 30 were evaluated and recommended for approval. Proceeds from sale of these non-performing assets were utilized to augment the ECs' funding requirements for their operations.



PROCUREMENT GUIDELINES AND BIDDING PROCEDURES

Moreover, in response to the call for utmost transparency and accountability within the ECs, the Procurement Guidelines and Simplified Bidding Procedures for Electric Cooperatives IRR-RA10531 (2017) was revised and updated to include necessary provisions, and to amend some provisions to make it aligned with RA 9184.



To support this initiative, seminar-workshops on the amended Procurement Guidelines and Simplified Bidding Procedures were undertaken the for about 235 employees from various ECs. The conduct of said activities were geared toward helping EC officials and employees to become more vigilant and strict in the procurement processes that will instill the prudent utilization of EC's funds. It also aimed at lessening moto proprio AdCom cases that are direct consequences of adverse EC audit findings and observations .

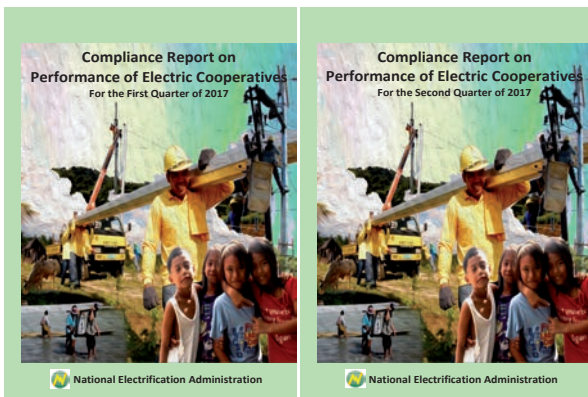


ENHANCED EC OVERALL PERFORMANCE ASSESSMENT CRITERIA

Pursuant to the mandates spelled in RA 9136 and RA 10531, and to address the heightened demands for power rate reduction, reliability of service, good governance, and member-consumer-owners' empowerment, the NEA, through the Office of Performance Assessment and Special Studies (OPASS) formulated the Enhanced EC Overall Performance Assessment Criteria. Crafted in consultation with NEA's internal and external stakeholders, this new set of performance assessment criteria shall be applied starting performance year 2018.

COMPLIANCE REPORTS

For the year, NEA prepared Compliance Report on the Performance of ECs for the third and fourth quarters of 2016, first and second quarters of 2017, and Semi-annual Report on the Initiatives and Activities on Rural Electrification for the second semester of 2016 and first semester of 2017.



The assessment of the performance of the ECs intends to determine their level of compliance to established financial and operational parameters and identify their Classification into Green, Yellow-1, Yellow-2 or Red/Ailing which serve as triggers for the intervention of the NEA in the EC operations. Green ECs are those which meet all parameters and standards, Yellow-1 ECs are those which failed to comply with 4 or more parameters and standards, Yellow-2 ECs which fall under any of 6 circumstances mentioned in Section 20 or RA 10531-IRR but not yet declared as Red or Ailing ECs and Red ECs are those declared and classified as Ailing ECs by NEA.

The Semi-annual Report, on the other hand, indicated the status of NEA's Sitio Electrification Program (SEP), the extent of loans granted to borrower ECs to help them strengthen their financial viability and to enable them to compete in a deregulated power industry, and the capacity building programs provided to EC officials and employees, among others.

Likewise, a consolidated 2016 EC Overall Performance Assessment and Size Classification based on reports of EC operations prepared by concerned departments

covering the financial, institutional, technical, and reportorial requirements was prepared. These served as the bases for the upward and downward implementation of EC per diems and allowances.

EC LUMENS AWARDS

On April 28, 2017, NEA held the EC Recognition and Awards Ceremonies at Tagum City, Davao del Norte to show appreciation of EC outstanding performance and other achievements.

NEA, through its OPASS, upon consultation with the EC Lumens Awards Committee, prepared the recommendation on the proposed awardees and duly approved by the Administrator. It highlighted the grant of Hall of Fame for Diamond EC Awards to ten (10) ECs namely: CEBECO III (Ultra Diamond); and TARELCO II, PELCO I, PENELCO, CEBECO I, CEBECO II, BOHECO I, MORESCO I, DASURECO, and SIARELCO (Mega Diamond). DIELCO was likewise accorded the Diamond EC for the Emmanuel N. Pelaez Award of the Year.



The EC Lumens Awards was introduced in April 2007 to elevate the regular awards to a higher level using the Diamond Categories.

ISO 9001:2015 RE-CERTIFICATION

NEA was able to secure a new ISO 9001:2015 Certificate from its Certifying Body, TÜV Rheinland Philippines, Inc., after having successfully passed the recertification audit conducted on November 21-22, 2017.

The new certificate with the scope "Provision of Financial, Institutional, Technical, and Legal Assistance to the Electric Cooperatives (ECs) which in turn undertake power distribution on an area coverage basis" is valid for three (3) years covering the period from February 10, 2018 until February 9, 2021, subject to annual surveillance audit.

The required activities leading to the issuance of the said new certificate which include: (a) the review and revision of NEA's Quality Management System documents; (b) the conduct of internal quality audit and management review meetings; and (c) the conduct of third party audit were likewise facilitated by NEA-OPASS.

SITIO ELECTRIFICATION PROGRAM–PHASE 2 (SEP-P2) SUMMIT



NEA, through the Corporate Planning Office (CPO), together with the Cluster on Total Electrification, spearheaded the conduct of a series of Sitio Electrification Program – Phase 2 (SEP-P2) Summit. I

It aimed to ensure the integrity of the inventory of additional unenergized sitios and its program implementation. Accordingly, a total of 19,740 unenergized sitios were identified to be implementable, most of which are in Mindanao with 8,535, followed by Luzon with 6,541 and Visayas with 4,664 sitios.

FORMULATION OF HOUSEHOLD ELECTRIFICATION MASTER PLAN

The EC Household Electrification Master Plan for Off-Grid Areas was submitted to the Department of Energy (DOE) on 14 December 2017. The Master Plan was designed, in consultation with DOE and NPC, to achieve the acceleration of national geographical coverage and consumer access specifically in the off-grid areas. This is in response to the call for the attainment of 100% electrification of households by 2022.

UPDATED CHARTER STATEMENT AND STRATEGY MAP

Further, to align NEA's Charter Statement and Strategy Map to the current needs, a series of planning activities leading to its revision was facilitated. This was duly approved by the Board of Administrators in a referendum held on 25 January 2017.

CASCADING OF GOVERNANCE INITIATIVES

To institutionalize strategy formulation and execution among the ECS and to intensify capacity building program for them, NEA continued its advocacy of cascading its performance governance framework.

For 2017, 24 ECs were able to adopt the Balanced Scorecard Model as their Performance Management framework, namely: CAPELCO, ILECO II, CENECO, NOCECO, NONECO, NORECO I, NORECO II, BOHECO I, BOHECO II, BANELCO, CEBECO I, CEBECO II, CEBECO III, CELCO, PROSIELCO, DORELCO, LEYECO II, LEYECO V, NORSAMELCO, SAMELCO I, SAMELCO II, COTELCO-PPALMA, SUKELCO and MAGELCO.

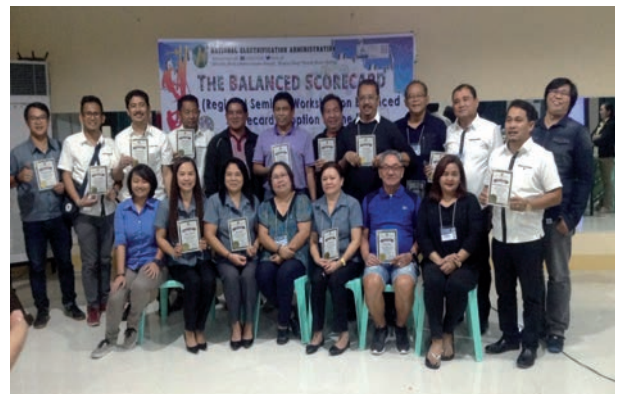
As such, a total of 84 ECs have already been capacitated in using the Balanced Scorecard.

CANDIDACY TO NEDA'S GOOD PRACTICE AWARD

The Good Practice Awards (GPA) was initiated by the National Economic and Development Authority (NEDA) through the Project Implementation Officers (PIO) System. It was set up to: (a) encourage agencies to take stock of their performance in implementing either Official Development Assistance (ODA) or locally funded programs/projects (LFPs); (b) recognize implementing agencies or IAs which developed good practices; and (c) multiply benefits of such practices by allowing other IAs to learn and adopt them. On 31 January 2018, NEDA confirmed NEA as a candidate for the 2017 Good Practice Award for the implementation of locally-funded programs and projects under Category I: Strategies in achieving desired sector outcomes through Sitio Electrification Program (SEP).

RECOGNITION FOR THE IMPLEMENTATION OF BOTTOM UP BUDGETING

NEA was a recipient of recognition by the Regional Poverty Reduction Action Team (RPRAT) through the Bottom-up Budgeting (BUB) for demonstrating exemplary commitment and untiring support to the Local Government Units (LGUs) in realizing the needs and priorities through the BuB Program. The certificate was given on 08 December 2017.



REBRANDING

On February 2, 2017, the NEA Board of Administrators passed a Board Resolution No. 18, series of 2017, renaming the Office for Corporate and Electric Cooperatives Training (OCET) to NEA-EC Training Institute (NETI) under the Office of the Administrator to reflect its role in NEA's new vision and mandated mission.

CAPACITY BUILDING

Included in the NEA's 7-point agenda is to intensify capacity building program for the ECs. For the year, NEA has successfully conducted a total of 59 training activities attended by 3,211 officials and employees from ECs across the country.

Likewise, the Agency continued its capacity building programs for its personnel through 18 in-house training activities and coordination/facilitation of a total of 34 scholarship opportunities. This included Gender and Development (GAD) program which aimed to address policy and institutional constraints that may be a source of organizational gender issues. NETI was able to facilitate Gender Sensitivity Training and Sex Disaggregated and Gender Analysis training, while Gender Audit Training is scheduled in year 2018. These activities formed part of the ladderized program of the Philippine Commission on Women (PCW).



Moreover, in partnership with Technical Education and Skills Development Authority (TESDA) and ECs across the country, NEA trainers produced 237 competent linemen to further bolster skills and infuse new blood and job opportunities through the Rural Electrification Program.

PARTNERSHIP ENHANCEMENT

On March 27, 2017, a Memorandum of Understanding was signed between NEA and the University of Science and Technology of Southern Philippines (USTP) in recognition of the need to continue generate peak performance among electric cooperatives of Mindanao. The pilot program under the partnership, Seminar-Workshop on Wholesale Electricity Spot Market Basic (WESM 101) for Mindanao Electric Cooperatives, was launched in November 14-15, 2017.



In addition to USTP collaboration, NEA renewed its partnership with TESDA through a Memorandum of Understanding (MOU) signed by the Administrator Masongsong and TESDA Director General, Secretary Guiling A. Mamondiong last December 6, 2017. It was aimed at developing skilled workforce for the ECs and generate employment in the countryside.

The partnership's flagship program is the Basic Lineman Training Course or known officially as Electric Power Distribution Line Construction NC II. This course is a 30-day military style boot camp training that tests mental prowess and physical determination of every trainee.

Moreover, NEA spearheaded the initiative to develop two higher level training regulations (TR) for lineman skills with the objective of upgrading the standards of the lineman profession and creating a career path towards supervisory positions. NEA and EC lineman trainers and experts were gathered for a week-long Training Regulations Development Workshop facilitated by TESDA Qualifications and Standards Office on October 23-27, 2017. Two months later, industry practitioners from ECs were then invited to a "Validation Session" to give their inputs and suggestions to further improve draft TRs.

INTERNATIONAL COLLABORATION

The Agency was able to facilitate its attendance to eight (8) foreign trainings and conferences through the Foreign Scholarship Training Program (FSTP) under TESDA and partnerships with foreign organizations such as the Institute of Energy Economics (Japan), Japan International Cooperation Agency, and Central Institute for Rural Electrification (India), among others.

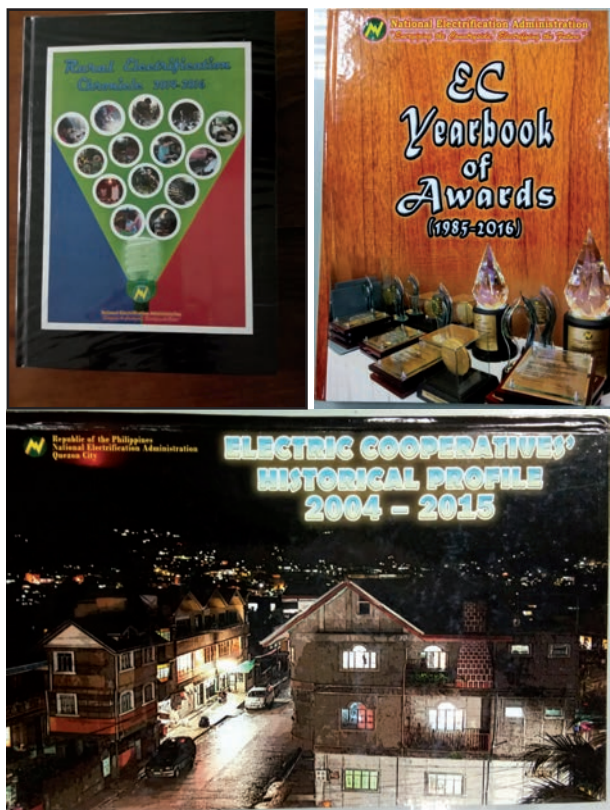
EVENTS AND CONSULTATIVE CONFERENCES

A total of 4,540 EC personnel attended and participated in 33 events and consultative conferences such as Executive Conferences with different Electric Cooperatives (ECs) Council of Leaders Associations, Electricity Forum Phases I and II, among others. These activities aimed to address pressing issues and concerns relevant to EC operations. Discussions revolved on the financial, institutional, technical and legal aspects that warrant immediate attention as the state-run Agency has been facing serious challenges that require policies, laws and funds from the government to implement its programs, projects, and activities.

Information Technology and Communication

PUBLICATIONS

- **RURAL ELECTRIFICATION CHRONICLE 2014 to 2016** - Updated annually, this publication captures the three years' operational profiles and status of energization of the 121 Electric Cooperatives (ECs) operating nationwide. It serves as a ready reference and reliable source of information for planning, decision making, benchmarking, monitoring purposes, studies and research
- **2016 YEARBOOK OF EC AWARDS AND RECOGNITION** - This publication provides a glimpse primarily in terms of management and operation of the ECs, as reflected in the awards each EC reaped through the years.
- **2004-2015 ECS' HISTORICAL DATA AND INFORMATION** - A compilation of major statistical parameters on ECs' operation, this edition is the second stage to complete the 1981-2015 historical data and information. This publication serves as a solid documentation of ECs' operation through the years as well as a major source of data and information for various purposes by NEA, stakeholders and private entities
- **2016 COMPILATION OF MANAGEMENT ISSUANCES** - This compilation of Memorandum to Electric Cooperatives, Office Memorandum and Office Orders serves as ready references to keep track of all issuances issued by the Management which can likewise be useful for legal and institutional purposes.



DATABASE MANAGEMENT

- **ENERGIZATION PROFILE** - a repository of major indicators on the status of energization comprising cities and municipalities, barangays, sitios and consumer connections. For the year, a total of 3,033 reports on Sitio Electrification, Barangay Line Enhancement and Consumer Connections were reviewed and uploaded resulting to the issuance of 123 status of energization reports and other reports/ requirements by the management and stakeholders
- **FIT PERFORMANCE DATABASE** - A comprehensive databank of various data and information on the status of EC operation. For the year, a total of 1,471 reports were reviewed, validated and uploaded in the datafiles. From the datafiles, 20 quarterly statistical, financial and power market reports were finalized and generated; 180 factsheets were issued; 78 other reports and requirements prepared and provided primarily to management and monitoring agencies; 32 sets of visuals were generated/posted and presentation/briefing materials were prepared and utilized

RECORDS MANAGEMENT

Monitoring of ECs' compliance with NEA's Reportorial Requirements Mandated under RA 10531, among others, is the ECs' submission of identified reports on a monthly or annual basis. The Records Management Unit (RMU) processed and distributed a total of 21,304 required reports to different offices and prepared, validated and submitted 4 quarterly compliance reports to the management and concerned departments. The status of ECs' compliance is also posted in the NEA website for ECs' information and reference

IMPLEMENTATION OF POLICY ON TRACKED DOCUMENTS AND MONITORING OF COMPLIANCE

With a policy on tracked documents in place, NEA processed and distributed for action a total of 1,081 documents under the Fast Lane Service and 1,128 documents under the Regular Lane. There were four quarterly reports consolidated, validated and distributed to concerned departments for information and reference. Reflected in the quarterly report are departmental response level and time as well as the overall average of both. For the year, the computed average number of hours to process a document under fast lane service is 26.69 hours and 50.05 hours under the regular lane which processing time is within the set standards of the Agency. The overall response rate register at 98%.

Non-tracked documents include reports, board resolutions not needing express approval, among others. Records show that a total of 18,246 of non-tracked documents were processed and distributed to concerned departments.

Management of Documents for Mailing and Delivery Processed and facilitated the mailing through postal and courier a total of 12,120 documents and delivery of 2,468 documents to different offices

- **REVISION OF DEPARTMENTAL RECORDS DISPOSITION SCHEDULE (RDS)**

A series of consultations were conducted with Records Management Improvement Committee (RMIC) and sub-RMIC members to validate the revisions in the departmental Records Disposition Schedule (RDS). Representatives from the National Archives of the Philippines (NAP) were also present during the sessions for guidance. A revised version of the RDS was then submitted to NAP for confirmation and approval.



- **INFORMATION DISSEMINATION THROUGH MICROSOFT (MS) OUTLOOK**

Four hundred seventy eight memoranda to NEA and ECs, office orders and advisories were posted on the NEA Outlook. This e-system of communication is institutionalized for easy dissemination of information.

- **PUBLICATION AND COMPILATION OF RESOURCE AND INFORMATION MATERIALS**

Five-Year EC Profiles
2016 EC Fact Sheets



INFORMATION COMMUNICATION TECHNOLOGY SYSTEM MANAGEMENT

- **WEB- PORTAL AND BUSINESS INTELLIGENCE SYSTEM (NEA-BIT SYSTEM)**

NEA BIT is a system which provides historical, current and predictive views of the ECs' business operations. The information generated will assist NEA in gaining timely and holistic analysis on the ECs' current state and performance which will open opportunities for generation of strategic interventions. This project was made possible through the support of World Bank and its IT firm, Indra Phils.

Consultative, Briefing and Training Sessions

Various activities and coordination were conducted for the implementation of the NEA BIT. Consultative and briefing sessions on project management and data governance were conducted on February 28, 2017 attended by the Regional Presidents of EC AIM and ATMEC. This was followed by another session attended by the four Pampanga ECs to solicit feedbacks on the effectiveness of the system. The NEA Steering Committee, Project Management Officer and members of the Institutional and Technical functional teams acted as facilitators in all sessions. Assistance was also provided on the NEA-EC trainings on the use and familiarization with the Data Entry Templates (DET)

- **NEA BIT SUPPORT ACTIVITIES**

An integral part of system development, assistance was also provided during the conduct of the User Acceptance Training. This was to ensure that no disruption will occur during the testing as well as to measure the effectiveness of the existing network facilities. Likewise, the On-Line Ticketing Resolution System (OTRS) was established in coordination with the system developer as well the the approval of the Technical High Level Design (HLD) and Business Requirement Documents (BRD). As part of the project, the distribution and the distribution and processing of documents for the World



Bank's donation of 80 desktops and notebooks were also facilitated to ensure full utilization of the NEA BIT.

Major contributions were also provided for the launching of the first phase of the NEA BIT on August 14, 2017 covering the modules on Institutional and Projects. Simultaneously, there was an awarding of the winners on the concluded Name the Project Contest. NEA BIT or NEA Business Intelligence Technology was selected as the official name of the system, the winning entry of Ms. Danica Vi Muncal of the Corporate Planning Office (CPO).



• ICT IN-HOUSE SYSTEM UPGRADING

Various activities were also conducted on system upgrading and security. System migration of Microsoft Windows from 2003 to 2012 version and electronic email exchange (MS exchange) from 2003 to 2010 version were completed. The internet bandwidth service was also increased from 40 to 80 mbps. The datacenter was likewise upgraded to meet security and standard requirements. The engagement of Risk as a Service (RaaS) Plus (Microsoft Window Premier Support) for IT operation and optimization saw its completion.

• OTHER MAJOR ACTIVITIES

Other activities that contributed to NEA's Core Business Operations included webpage development and enhancement. This facilitated the posting of EC Invitations to Bid in the website, NEA BIT space for announcements and update and the Administrator's Corner. A total of five (5) Terms of Reference and 105 technical specifications for ICT resource acquisition were processed and completed. For the ECs, 31 Board Resolutions requesting for evaluation and assessment of ICT equipment and software applications, system integration and connectivity requirements were processed and submitted.



Human Resources Management and Administration (HRAD) has undertaken projects and initiatives to address employees' needs, comply with statutory requirements and respond to prevailing industry standards.

JOB LEVELLING

In compliance with the Compensation Position Classification System set by the Governance Commission on GOCCs (GCG), the Change Management Team was reconstituted to oversee the formulation of NEA's Job Classification and Levelling, including the updating of Job Descriptions to align with the thrusts of the NEA Strategy Map. Though full implementation has been suspended under E.O. 36, the program gave the Agency an opportunity to undertake a review of its functions vis-à-vis industry standards.

NEW FUNCTIONAL OFFICES

In accordance with the new vision and mandated mission, a proposed refined restructuring plan was approved by the Board of Administrators on organizational development. To further improve and enhance the agency's service to its clientele, three offices were created whereby such units are dedicated to specific EC concerns, and ensure that governance standards are in place. These are:

- 1) Diplomatic Relations and Cooperation Office (DRCO), under the Office of the Administrator. Among others, DRCO is tasked to coordinate, organize, manage and implement policies on external stakeholders' relations pursuant to the vision, mission and aims of NEA;
- 2) The Regulatory Affairs Office (RAO) under the supervision of the Legal Services Office which will be responsible, among others, to supervise, monitor and evaluate ECs on power supply contracting as well as in relation to rates setting; and network with Power Industry Players and government institutions involved in the implementation of REP; and



Human Resources
and Administration

- 3) Disaster Risk Reduction Management Department (DRRMD) under the supervision of the Technical Services Sector. It shall develop mechanisms and monitoring systems in the performance of its role to assess, develop and implement a disaster risk reduction management plan covering preparedness, damage assessment, rehabilitation and restoration of network and non-network facilities.

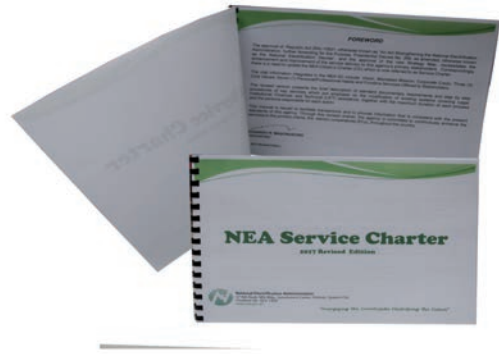
In the Electric Cooperative Management Services (ECMS) Sector, the Management Assistance Group (MAG) was renamed as Management and Consultancy Services Office (MCSO). The Electric Cooperative Audit Department (ECAD) was transferred from Legal Services Sector to ECMS.

In the Office of the Administrator (OA) Sector, the Public Affairs Office (PAO) was renamed as Corporate Communications and Social Marketing Office (CCSMO) and the Office for Corporate and Electric Cooperatives Training (OCET) as NEA-EC Training Institute (NETI) and was transferred to the OA Sector.



SERVICE CHARTER

Based on the evaluation made by Civil Service Commission (CSC), in relation to the government’s program on Anti-Red Tape Act (ARTA), NEA updated its Citizen’s Charter into a Service Charter to serve better its clients and stakeholders. The revised version presents the brief description of standard documentary requirements and step by step procedures of key services which put emphasis on the modification of existing systems covering Legal, Institutional, Financial and Technical (LIFT) assistance, together with the maximum duration of each process and the persons responsible for each action.



ENERCON PROGRAM

In support to the mandate of government to implement an austerity program nationwide, this Agency further updated/intensify cost-saving measures in its operations.

The Government’s Energy Management Program (GEMP) as applied to this Agency was revisited to encourage all employees to show concern and participate actively to enable this agency to attain energy consumption reduction.

The Office of the President, through the Energy Audit Team of the Department of Energy, issued a certification upon verification of the programs and measures adopted by NEA and confirmed the reported total electricity savings of 612,804 kWh amounting to Php5,252,640.52 for the year 2017 was in order.

AGENCY PROCUREMENT COMPLIANCE

The NEA endeavors to faithfully comply with the standard procurement as prescribed under RA 9184 or the Government Procurement Reform Act of 2003 which is coursed through the Bids and Awards Committee (BAC).

In reference to the Government Procurement Policy Board’s (GPPB) Agency Procurement Compliance and Performance Indicator, the NEA-BAC Office is provided an Office at the 3rd Floor, right wing. The workplace was built to give the members of the BAC and its Secretariat a dedicated space in the preparation and evaluation of documents related to procurement and bidding processes; secure all confidential documents related to BAC transactions; and provide a system for keeping and maintaining records.



CUSTOMER SATISFACTION SURVEY

In its commitment to improve the delivery of quality service to its partner ECs, NEA, through the Corporate Communications and Social Marketing Office (CCSMO), conducted the Customer Satisfaction Survey which gathered 270 respondents consisting of General Managers, Board Presidents and Department heads from various ECs. The survey showed that NEA generated a satisfaction rating of 80% from ECs, which was consistently observed across Luzon, Visayas, and Mindanao regions.

EC STANDARD SIGNAGE



As NEA continues to promote the Rural Electrification (RE) Program and raise public awareness and to boost grassroots visibility about the agency, the Corporate Communications and Social Marketing Office (CCSMO) designed a standard one identity, one logo, and one color signage for all electric cooperatives to reinforce and enrich the NEA-Electric Cooperatives (ECs) partnership and to further promote this alliance to Member-Consumer-Owners (MCOs) and stakeholders.



MEDIA RELATIONS STRENGTHENING

To enhance corporate image and public relations strategies, NEA, through the CCSMO conducted a Media Relations Convocation dubbed as "Huntahan". This aimed to strengthen NEA-ECs' relationship with media partners and leverage this partnership to communicate the plans and programs down to the general public. A number of tri-media practitioners, EC officials and representatives participated in this activity.

Media releases on issues and concerns affecting NEA, the ECs and the RE Program were prepared as warranted and sent to tri-media and uploaded in the NEA website for public information. Press briefings and press conferences were facilitated to further spread news on NEA and ECs activities and boost relations with the media partners.



MEDIA FORUM AND ENERGY EXHIBIT

In line with the Agency's thrust to raise awareness on the RE Program, a Media Forum, in observance of the 8th National Electrification Awareness Month (NEAM) and 48th NEA Founding Anniversary, was held on July 27, 2017. The forum served as an opportunity to provide updates on the NEA's accomplishment in the pursuit of the Rural Electrification Program in line with the agenda of the national government.

Likewise, NEA participated in the 2017 Power Trends Exhibition and Infrastructure Congress and Expo Philippines (ICEP) from September 23 to 25, 2017 to showcase the significant contributions of NEA and the ECs to nation-building.





ESTABLISHMENT OF OFFICIAL SOCIAL MEDIA PAGE

The Agency’s official social media pages (Facebook and Twitter) were created on April 3, 2017 to facilitate wider and greater the sharing of information and interaction.

NEA can be reached in Facebook through @OfficialNEA and in Twitter through @NEA_ph.

As of December 31, 2017, NEA’s official FB page register around 5,000 followers.



OPERATIONALIZATION OF FREEDOM OF INFORMATION (FOI) MECHANISM

The Freedom of Information (FOI) Mechanism was operationalized through NEA Office Order No. 2017-167 issued on August 22, 2017. This was in compliance with Executive Order No. 2, approved on July 23, 2016 entitled “Operationalizing in the Executive Branch the People’s Constitutional Right to Information and the State Policies of Full Disclosure and Transparency in the Public Service and Providing Guidelines Therefor”.

IEC PROMOTIONAL COLLATERALS

Significant publications were produced for the year. This includes the Annual Report, EnerNEA, and primers on NEA and the ECs. Also, corporate calendars were printed and distributed to various publics to make known NEA’s programs and projects in pursuit of countryside development.



CORPORATE IMAGE ENHANCEMENT

In the bid to enhance the Agency’s corporate brand, the Press Working Area was inaugurated on August 1, 2017, the same date that the NEA Welcome Structure was launched.



Meanwhile, the Pedro G. Dumol Library and RE Museum collected 169 titles on book donations and acquired two new titles from the NEA Corporate Fund., 54 books were bought using the self-generated PGD Library Fund.

AMBASSADORS OF GOODWILL

In 2017, it has performed in 12 occasions in and outside NEA. The NEA Lights and Sounds Chorale staged performances during the National Consultative Conference and Lumens Ceremonies, the NEAM and the NEA-NAGMEC Joint Thanksgiving and Christmas celebration, and EC annual general membership assemblies such as ZANECO, among others.

The Chorale more popularly known as the L & S Chorale is NEA’s Ambassadors of Goodwill which has been in operation for almost 15 years since its reactivation in 2004. It is a regular fixture in corporate functions and has been invited in various inter-agency affairs



EC PROFILE

	ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/CITIES		BARANGAYS			SITIOS				CONNECTIONS		
			COVERAGE/ ENERGIZED	%	Potential	ENERGIZED/ COMPLETED	%	Potential	ENERGIZED/ COMPLETED	%	UNENERG	Potential	ENERGIZED/ COMPLETED	%
						TODATE			TODATE				TODATE	
REGION I (ILOCOS REGION)														
1	Ilocos Norte Electric Cooperative, Inc.	INEC	23	100	557	557	100	2,913	2,913	100	0	164,300	160,856	98
2	Ilocos Sur Electric Cooperative, Inc.	ISECO	34	100	768	768	100	902	880	98	22	184,500	182,206	99
3	La Union Electric Cooperative, Inc.	LUELCO	18	100	536	536	100	1,098	1,060	97	38	146,900	146,508	100
4	Pangasinan I Electric Cooperative, Inc.	PANELCO I	9	100	192	192	100	625	535	86	90	83,800	83,724	100
5	Central Pangasinan Electric Cooperative, Inc.	CENPELCO	15	100	553	553	100	2,147	2,030	95	117	239,700	239,643	100
6	Pangasinan III Electric Cooperative, Inc.	PANELCO III	17	100	421	421	100	1,869	1,848	99	21	180,000	179,784	100
	Sub-Total		116	100	3,027	3,027	100	9,554	9,266	97	288	999,200	992,721	99
REGION II (CAGAYAN VALLEY)														
7	Batanes Electric Cooperative, Inc.	BATANELCO	6	100	29	29	100	41	38	93	3	6,300	6,101	97
8	Cagayan I Electric Cooperative, Inc.	CAGELCO I	12	100	376	376	100	340	283	83	57	144,000	143,899	100
9	Cagayan II Electric Cooperative, Inc.	CAGELCO II	21	100	510	510	100	1,224	983	80	241	129,300	124,511	96
10	Isabela I Electric Cooperative, Inc.	ISELCO I	15	100	484	484	100	386	349	90	37	212,800	209,019	98
11	Isabela II Electric Cooperative, Inc.	ISELCO II	21	100	545	545	100	425	305	72	120	159,800	138,478	87
12	Nueva Vizcaya Electric Cooperative, Inc.	NUVELCO	15	100	275	275	100	639	346	54	293	100,600	97,187	97
13	Quirino Electric Cooperative, Inc.	QUIRELCO	6	100	150	150	100	328	296	90	32	51,800	51,301	99
	Sub-Total		96	100	2,369	2,369	100	3,383	2,600	77	783	804,600	770,496	96
CORDILLERA ADMINISTRATIVE REGION (CAR)														
14	Abra Electric Cooperative, Inc.	ABRECO	27	100	303	303	100	128	100	78	28	56,700	51,364	91
15	Benguet Electric Cooperative, Inc.	BENECO	14	100	269	269	100	3,158	2,510	79	648	200,700	177,386	88
16	Ifugao Electric Cooperative, Inc.	IFELCO	11	100	175	175	100	3,008	2,615	87	393	45,200	42,325	94
17	Kalinga-Apayao Electric Cooperative, Inc.	KAELCO	11	100	221	221	100	783	597	76	186	55,600	47,353	85
18	Mountain Province Electric Cooperative, Inc.	MOPRECO	10	100	144	144	100	890	627	70	263	41,500	38,799	93
	Sub-Total		73	100	1,112	1,112	100	7,967	6,449	81	1,518	399,700	357,227	89
REGION III (CENTRAL LUZON)														
19	Aurora Electric Cooperative, Inc.	AURELCO	9	100	157	157	100	483	454	94	29	53,900	53,239	99
20	Tarlac I Electric Cooperative, Inc.	TARELCO I	15	100	421	421	100	2,004	1,985	99	19	172,400	171,889	100
21	Tarlac II Electric Cooperative, Inc.	TARELCO II	5	100	120	120	100	241	226	94	15	116,900	116,340	100
22	Nueva Ecija I Electric Cooperative, Inc.	NEECO I	5	100	95	95	100	161	159	99	2	94,300	93,741	99
23	Nueva Ecija II Electric Cooperative, Inc. - Area 1	NEECO II-Area I	10	100	291	291	100	539	517	96	22	140,500	127,993	91
	Nueva Ecija II Electric Cooperative, Inc. - Area 2	NEECO II-Area II	11	100	228	228	100	258	231	90	27	110,800	106,733	96
24	San Jose City Electric Cooperative, Inc.	SAJELCO	1	100	38	38	100	39	8	21	31	34,100	34,026	100
25	Pampanga Rural Electric Service Coop., Inc.	PRESCO	-	-	34	34	100	13	12	92	1	22,400	22,224	99
26	Pampanga I Electric Cooperative, Inc.	PELCO I	6	100	112	112	100	225	215	96	10	109,500	109,479	100
27	Pampanga II Electric Cooperative, Inc.	PELCO II	7	100	175	175	100	1,044	1,029	99	15	171,800	170,377	99
28	Pampanga III Electric Cooperative, Inc.	PELCO III	6	100	95	95	100	23	20	87	3	75,800	74,509	98
29	Peninsula Electric Cooperative, Inc.	PENELCO	12	100	241	241	100	422	410	97	12	190,600	190,403	100
30	Zambales I Electric Cooperative, Inc.	ZAMECO I	6	100	118	118	100	179	178	99	1	65,500	65,227	100
31	Zambales II Electric Cooperative, Inc.	ZAMECO II	7	100	111	111	100	196	186	95	10	83,900	83,491	100
	Sub-Total		100	100	2,236	2,236	100	5,827	5,630	97	197	1,442,400	1,419,671	98



	ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/CITIES		BARANGAYS			SITIOS				CONNECTIONS		
			COVERAGE/ ENERGIZED	%	Potential	ENERGIZED/ COMPLETED	%	Potential	ENERGIZED/ COMPLETED	%	UNENERG	Potential	ENERGIZED/ COMPLETED	%
						TODATE			TODATE				TODATE	
REGION IV-A (CALABARZON)														
32	First Laguna Electric Cooperative, Inc.	FLECO	11	100	164	164	100	710	636	90	74	69,600	68,290	98
33	Batangas I Electric Cooperative, Inc.	BATELEC I	12	100	366	366	100	738	738	100	0	176,100	174,733	99
34	Batangas II Electric Cooperative, Inc.	BATELEC II	17	100	482	482	100	1,699	1,623	96	76	308,200	302,997	98
35	Quezon I Electric Cooperative, Inc.	QUEZELCO I	23	100	805	805	100	2,333	2,107	90	226	210,600	174,806	83
36	Quezon II Electric Cooperative, Inc.	QUEZELCO II	8	100	129	128	99	963	858	89	105	48,500	37,787	78
	Sub-Total		71	100	1,946	1,945	99	6,443	5,962	93	481	813,000	758,613	93
MIMAROPA REGION														
37	Lubang Electric Cooperative, Inc.	LUBELCO	2	100	25	25	100	140	140	100	0	8,400	8,141	97
38	Occidental Mindoro Electric Cooperative,	OMECCO	9	100	138	138	100	1,213	924	76	289	104,000	77,560	75
39	Oriental Mindoro Electric Cooperative, Inc.	ORMECCO	15	100	426	426	100	4,368	3,133	72	1,235	209,000	206,706	99
40	Marinduque Electric Cooperative, Inc.	MARELCO	6	100	218	218	100	417	386	93	31	56,200	55,163	98
41	Tablas Electric Cooperative, Inc.	TIELCO	10	100	112	112	100	820	759	93	61	42,400	41,301	97
42	Romblon Electric Cooperative, Inc.	ROMELCO	5	100	83	83	100	641	559	87	82	25,000	24,207	97
43	Busuanga Electric Cooperative, Inc.	BISELCO	4	100	61	61	100	127	119	94	8	23,000	15,040	65
44	Palawan Electric Cooperative, Inc.	PALECO	19	100	371	371	100	1,380	560	41	820	236,800	134,963	57
	Sub-Total		70	100	1,434	1,434	100	9,106	6,580	72	2,526	704,800	563,081	80
REGION V (BICOL REGION)														
45	Camarines Norte Electric Cooperative, Inc.	CANORECO	12	100	273	273	100	558	464	83	94	131,400	116,133	88
46	Camarines Sur I Electric Cooperative, Inc.	CASURECO I	10	100	287	287	100	729	573	79	156	86,400	80,154	93
47	Camarines Sur II Electric Cooperative, Inc.	CASURECO II	10	100	259	259	100	409	343	84	66	130,000	121,381	93
48	Camarines Sur III Electric Cooperative, Inc.	CASURECO III	7	100	229	229	100	63	55	87	8	90,000	77,644	86
49	Camarines Sur IV Electric Cooperative, Inc.	CASURECO IV	9	100	258	258	100	847	571	67	276	73,500	62,577	85
50	Albay Electric Cooperative, Inc.	ALECO	18	100	720	718	99	348	251	72	97	275,000	182,697	66
51	Sorsogon I Electric Cooperative, Inc.	SORECO I	8	100	253	253	100	1,506	1,288	86	218	79,800	79,572	100
52	Sorsogon II Electric Cooperative, Inc.	SORECO II	7	100	288	288	100	408	339	83	69	93,000	90,210	97
53	First Catanduanes Electric Cooperative, Inc.	FICELCO	11	100	315	315	100	157	152	97	5	58,000	56,143	97
54	Masbate Electric Cooperative, Inc.	MASELCO	15	100	434	434	100	1,799	1,328	74	471	146,500	73,150	50
55	Ticao Island Electric Cooperative, Inc.	TISELCO	4	100	72	72	100	220	105	48	115	18,000	13,878	77
	Sub-Total		111	100	3,388	3,386	99	7,044	5,469	78	1,575	1,181,600	953,539	81
	TOTAL LUZON		637	100	15,512	15,509	99	49,324	41,956	85	7,368	6,345,300	5,815,348	92
REGION VI (WESTERN VISAYAS)														
56	Aklan Electric Cooperative, Inc.	AKELCO	19	100	380	379	99	1,091	962	88	129	139,100	135,628	98
57	Antique Electric Cooperative, Inc.	ANTECO	16	100	537	537	100	1,457	1,312	90	145	113,400	108,929	96
58	Capiz Electric Cooperative, Inc.	CAPELCO	17	100	473	473	100	1,370	1,122	82	248	182,000	165,037	91
59	Iloilo I Electric Cooperative, Inc.	ILECO I	15	100	794	794	100	1,958	1,803	92	155	160,300	154,261	96
60	Iloilo II Electric Cooperative, Inc.	ILECO II	15	100	587	587	100	2,603	2,430	93	173	156,500	127,455	81
61	Iloilo III Electric Cooperative, Inc.	ILECO III	13	100	340	340	100	1,679	1,453	87	226	120,000	88,328	74
62	Guimaras Electric Cooperative, Inc.	GUIMELCO	5	100	98	98	100	690	570	83	120	40,000	32,242	81
63	Northern Negros Electric Cooperative, Inc.	NONECO	9	100	196	196	100	2,859	2,458	86	401	198,400	156,725	79
64	Central Negros Electric Cooperative, Inc.	CENECO	6	100	158	158	100	539	416	77	123	248,800	224,247	90
65	Negros Occidental Electric Cooperative, Inc.	NOCECO	17	100	308	308	100	3,147	2,366	75	781	258,100	188,076	73
	Sub-Total		132	100	3,871	3,870	99	17,393	14,892	86	2,501	1,616,600	1,380,928	85

EC PROFILE

	ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/CITIES		BARANGAYS					SITIOS			CONNECTIONS		
			COVERAGE/ ENERGIZED	%	Potential	ENERGIZED/ COMPLETED	%	Potential	ENERGIZED/ COMPLETED	%	UNENERG	Potential	ENERGIZED/ COMPLETED	%	
						TODATE			TODATE				TODATE		
REGION VII (CENTRAL VISAYAS)															
66	Negros Oriental I Electric Cooperative, Inc.	NORECO I	11	100	285	285	100	1,940	1,751	90	189	130,000	82,378	63	
67	Negros Oriental II Electric Cooperative, Inc.	NORECO II	14	100	272	272	100	1,732	1,354	78	378	181,100	155,068	86	
68	Bantayan Electric Cooperative, Inc.	BANELCO	3	100	49	49	100	436	398	91	38	34,000	31,124	92	
69	Cebu I Electric Cooperative, Inc.	CEBECO I	18	100	366	366	100	3,356	3,123	93	233	156,700	146,710	94	
70	Cebu II Electric Cooperative, Inc.	CEBECO II	13	100	323	323	100	2,501	2,499	100	2	179,000	161,639	90	
71	Cebu III Electric Cooperative, Inc.	CEBECO III	5	100	134	134	100	1,396	1,370	98	26	103,300	102,677	99	
72	Province of Siquijor Electric Cooperative, Inc.	PROSIELCO	6	100	134	134	100	773	723	94	50	26,900	26,302	98	
73	Camotes Electric Cooperative, Inc.	CELCO	4	100	56	56	100	420	374	89	46	24,500	22,814	93	
74	Bohol I Electric Cooperative, Inc.	BOHECO I	26	100	603	603	100	3,596	3,596	100	0	164,600	163,431	99	
75	Bohol II Electric Cooperative, Inc.	BOHECO II	21	100	491	491	100	3,268	2,985	91	283	147,000	138,072	94	
	Sub-Total		121	100	2,713	2,713	100	19,418	18,173	94	1,245	1,147,100	1,030,215	90	
REGION VIII (EASTERN VISAYAS)															
76	Don Orestes Romualdez Electric Cooperative, Inc.	DORELCO	13	100	499	499	100	672	449	67	223	97,000	70,053	72	
77	Leyte II Electric Cooperative, Inc.	LEYECO II	3	100	196	196	100	126	126	100	0	74,000	64,921	88	
78	Leyte III Electric Cooperative, Inc.	LEYECO III	9	100	285	285	100	341	273	80	68	62,000	55,002	89	
79	Leyte IV Electric Cooperative, Inc.	LEYECO IV	6	100	245	245	100	1,318	1,210	92	108	82,700	76,703	93	
80	Leyte V Electric Cooperative, Inc.	LEYECO V	12	100	414	414	100	1,651	1,243	75	408	157,000	119,267	76	
81	Southern Leyte Electric Cooperative, Inc.	SOLECO	19	100	500	500	100	2,010	1,874	93	136	103,600	101,577	98	
82	Biliran Electric Cooperative, Inc.	BILECO	7	100	117	117	100	300	264	88	36	37,000	35,070	95	
83	Northern Samar Electric Cooperative, Inc.	NORSAMELCO	24	100	569	569	100	502	293	58	209	119,000	72,154	61	
84	Samar I Electric Cooperative, Inc.	SAMELCO I	10	100	427	427	100	149	120	81	29	70,700	62,105	88	
85	Samar II Electric Cooperative, Inc.	SAMELCO II	16	100	524	524	100	1,694	1,456	86	238	92,500	79,656	86	
86	Eastern Samar Electric Cooperative, Inc.	ESAMELCO	23	100	596	596	100	842	408	48	434	106,600	94,109	88	
	Sub-Total		142	100	4,372	4,372	100	9,605	7,716	80	1,889	1,002,100	830,617	83	
	TOTAL VISAYAS		395	100	10,956	10,955	99	46,416	40,781	88	5,635	3,765,800	3,241,760	86	
REGION IX (ZAMBOANGA PENINSULA)															
87	Zamboanga del Norte Electric Cooperative, Inc.	ZANECO	23	100	585	585	100	2,528	1,754	69	774	186,800	115,618	62	
88	Zamboanga del Sur I Electric Cooperative, Inc.	ZAMSURECO I	25	100	628	628	100	2,940	2,208	75	732	190,000	128,112	67	
89	Zamboanga del Sur II Electric Cooperative, Inc.	ZAMSURECO II	23	100	558	558	100	3,151	2,124	67	1,027	186,000	122,595	66	
90	Zamboanga City Electric Cooperative, Inc.	ZAMCELCO	1	100	94	94	100	827	700	85	127	192,000	138,407	72	
	Sub-Total		72	100	1,865	1,865	100	9,446	6,786	72	2,660	754,800	504,732	67	
REGION X (NORTHERN MINDANAO)															
91	Misamis Occidental I Electric Cooperative, Inc.	MOELCI I	8	100	227	227	100	327	306	94	21	60,400	60,320	100	
92	Misamis Occidental II Electric Cooperative, Inc.	MOELCI II	8	100	253	253	100	313	285	91	28	87,300	87,217	100	
93	Misamis Oriental I Electric Cooperative, Inc.	MORESCO I	10	100	155	155	100	1,506	1,434	95	72	93,000	92,058	99	
94	Misamis Oriental II Electric Cooperative, Inc.	MORESCO II	12	100	269	269	100	1,517	1,186	78	331	93,800	77,095	82	
95	First Bukidnon Electric Cooperative, Inc.	FIBECO	13	100	303	303	100	3,170	2,471	78	699	186,000	151,346	81	
96	Bukidnon II Electric Cooperative, Inc.	BUSECO	10	100	171	171	100	1,730	1,254	72	476	123,400	98,309	80	
97	Camiguin Electric Cooperative, Inc.	CAMELCO	5	100	58	58	100	944	923	98	21	22,700	22,548	99	
98	Lanao del Norte Electric Cooperative, Inc.	LANECO	19	100	407	407	100	1,167	859	74	308	127,500	96,096	75	
	Sub-Total		85	100	1,843	1,843	100	10,674	8,718	82	1,956	794,100	684,989	86	



	ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/CITIES		BARANGAYS			SITIOS				CONNECTIONS		
			COVERAGE/ ENERGIZED	%	Potential	ENERGIZED/ COMPLETED	%	Potential	ENERGIZED/ COMPLETED	%	UNENERG	Potential	ENERGIZED/ COMPLETED	%
						TODATE			TODATE				TODATE	
REGION XI (DAVAO REGION)														
99	Davao Oriental Electric Cooperative, Inc.	DORECO	11	100	183	183	100	1,586	1,170	74	416	127,600	104,689	82
100	Davao del Norte Electric Cooperative, Inc. ¹	DANECO	18	100	376	376	100	2,344	1,103	47	1,241	310,000	196,176	63
101	Davao del Sur Electric Cooperative, Inc.	DASURECO	15	100	337	337	100	4,982	3,432	69	1,550	243,800	169,796	70
	Sub-Total		44	100	896	896	100	8,912	5,705	64	3,207	681,400	470,661	69
REGION XII (SOCCSKSARGEN)														
102	North Cotabato Electric Cooperative, Inc.	COTELCO	12	100	348	348	100	2,773	2,306	83	467	207,500	156,263	75
	PPALMA-COTELCO	P-PALMA	6	100	195	195	100	1,335	1,070	80	265	110,000	64,786	59
103	South Cotabato I Electric Cooperative, Inc.	SOCOTECO I	10	100	172	172	100	1,801	1,437	80	364	180,000	118,781	66
104	South Cotabato II Electric Cooperative, Inc.	SOCOTECO II	10	100	205	205	100	2,739	2,044	75	695	330,000	197,872	60
105	Sultan Kudarat Electric Cooperative, Inc.	SUKELCO	17	100	311	311	100	2,957	2,156	73	801	196,000	117,514	60
	Sub-Total		55	100	1,231	1,231	100	11,605	9,013	78	2,592	1,023,500	655,216	64
AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM)														
106	Tawi-Tawi Electric Cooperative, Inc. ²	TAWELCO	9	100	186	186	100	355	242	68	113	61,000	12,822	21
107	Siasi Electric Cooperative, Inc. ³	SIASELCO	2	100	66	66	100	76	41	54	35	17,000	4,258	25
108	Sulu Electric Cooperative, Inc.	SULECO	16	100	330	330	100	85	70	82	15	116,000	27,366	24
109	Basilan Electric Cooperative, Inc. ¹	BASELCO	14	100	269	269	100	247	191	77	56	86,000	45,288	53
110	Cagayan de Sulu Electric Cooperative, Inc.	CASELCO	2	100	17	17	100	26	0	0	26	5,000	3,155	63
111	Lanao del Sur Electric Cooperative, Inc. ⁴	LASURECO	41	100	1,175	1,175	100	68	68	100	0	150,000	56,475	38
112	Maguindano Electric Cooperative, Inc. ⁵	MAGELCO	30	100	404	398	99	1,322	749	57	573	152,000	48,907	32
	Sub-Total		114	100	2,447	2,441	99	2,179	1,361	62	818	587,000	198,271	34
REGION XIII (CARAGA)														
113	Agusan del Norte Electric Cooperative, Inc.	ANECO	12	100	253	253	100	2,132	2,079	98	53	170,700	166,817	98
114	Agusan del Sur Electric Cooperative, Inc.	ASELCO	14	100	314	314	100	2,716	2,476	91	240	155,900	149,579	96
115	Surigao del Norte Electric Cooperative, Inc.	SURNECO	12	100	203	203	100	364	314	86	50	91,500	88,482	97
116	Siargao Electric Cooperative, Inc.	SIARELCO	9	100	132	132	100	227	227	100	0	32,700	32,124	98
117	Dinagat Islands Electric Cooperative, Inc.	DIELCO	7	100	100	100	100	197	167	85	30	28,400	26,485	93
118	Surigao del Sur I Electric Cooperative, Inc.	SURSECO I	5	100	112	112	100	669	537	80	132	77,000	75,955	99
119	Surigao del Sur II Electric Cooperative, Inc.	SURSECO II	14	100	197	197	100	1,318	1,204	91	114	77,500	76,073	98
	Sub-Total		73	100	1,311	1,311	100	7,623	7,004	92	619	633,700	615,515	97
	TOTAL MINDANAO		443	100	9,593	9,587	99	50,439	38,587	77	11,852	4,474,500	3,129,384	70
	TOTAL		1,475	100	36,061	36,051	99	146,179	121,324	83	24,855	14,585,600	12,186,492	84

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1	Nov 2017	3	Aug 2015	Apr 2017
2	Mar 2017	4	MFSR-Nov 2016	

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