



Republic of the Philippines
NATIONAL ELECTRIFICATION ADMINISTRATION
Quezon City

06 July 2004

NEA MEMORANDUM NO. 2004-006

TO : ALL ELECTRIC COOPERATIVES

The Year 2003 performance level of Electric Cooperatives (ECs) produced relatively impressive rating results, and for some, established their defining moments of success. Some observations are:

1. Positive turnaround operations of ECs had been marked by a strongly determined, and deeply committed set of Board of Directors, General Manager, Management Staff and Employees. Innovations and strategies, mostly unconventional, triggered people and systems, to meet goals and targets. Compact of cooperation between ECs, such as the two (2) BOHECOs, sealed the good fate of BOHECO II.
2. While eleven (11) ECs achieved single digit systems loss and several other ECs marked improvements in its reduction, systems loss remains to be the most critical factor in attaining efficiency in operations. Even A+ and A ECs need to further reduce systems losses, since at their combined level, the average percentage loss is already at 12%.
3. The removal of the Primary Voltage Discount (PVD) by the National Power Corporation (NPC) weighed negatively on ECs which are within the borderline of the 14% systems loss cap.
4. To the advantage of ECs, the loan condonation as provided for by the EPIRA had been substantially implemented as the Energy Regulatory Commission (ERC) handed down Provisional Authorities (PAs), thus improved rating in the area of amortization payment with NEA. Only residual loans remain, and it is expected that ECs fulfill henceforth their loan covenants by paying their dues religiously.
5. Unliquidated cash advances produce demerit points in the final rating of ECs. Nine (9) ECs had been given until end of June 2004 to settle their advances before their final category is released.

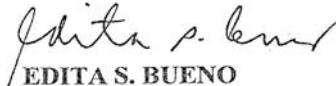
6. Overall, it is stressed that what had been evaluated is the ECs performance for the year in review. There are ECs which registered significant upward performance, due to bonus points which they garnered as a result. In case specific are the following: CEBECO II, SAMELCO I, PALECO, DORECO, BOHECO II, BATANELCO and NORECO II. These ECs improved in the systems loss factor earning a high of 12 to a low of 4 in bonus points.
7. While some ECs obtained substantial improvements in operations, a sound assessment can be best and aptly gauged by empirical data on their yearly performance ratings through the categorization results. The most outstanding and best performing ECs continue to remain consistently on top, a challenge still to be hurdled by those new in the list.

Another study/review of the categorization criteria is currently being undertaken with the endview of making them more reflective of the obtaining circumstances in coop operations, and more responsive to the competitive environment, including the industry market, and shall be applied to the Year 2005 operations.

As we enter into a new era of competition and a highly demanding public, the 2003 Categorization shall serve as our base performance level. Only the strong and focused shall survive this present cutting edge market.

To ECs which received upward performance ratings, they shall correspondingly be entitled to prescribed benefits and incentives, and to those which retrogressed in rating, they are accordingly directed to implement the necessary downward adjustments in benefits and incentives as provided by the guidelines. Those which maintained their respective categories, shall continue to receive the same benefits, again, in consonance with the prescribed guidelines. These shall all be effective 01 July 2004.

Please be guided accordingly.


EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION
IN REPLYING, PLS. CITE: #0R005205



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7/14/04

21 May 2004

MEMORANDUM

FOR : THE ADMINISTRATOR
SUBJECT : CATEGORIZATION OF ELECTRIC COOPERATIVES
FOR CALENDAR YEAR 2003

May we submit the result of the evaluation undertaken by the Committee on Categorization on the operational performance of the ECs for calendar year 2003. The same set of criteria for CY 2002 was applied which includes points on amortization payment, systems loss, collection efficiency, payment to power supplier and non-power cost. The Committee likewise applied the same concept of giving bonus points for amortization and systems loss improvements. Demerit points on unliquidated cash advances, no sinking fund for reinvestment, non-submission of approved budget and cash flow were also included.

The following are the highlights of our evaluation:

- 1) Four (4) ECs earned 100 points in 2003, namely: CEBECO II, DORECO, PALECO and SAMELCO I. Said ECs reached 100 due to the inclusion of bonus points for the reduction in systems loss.
- 2) BOHECO II garnered the highest point increase of 57 (from 41 to 98) and Category improvement (from D to A+) mainly due to the significant improvement in system loss from 17% to 11% with corresponding 25 major points and 12 bonus points.
- 3) Several ECs improved in their respective categories in view of the loan condonation which became effective upon the issuance by the Energy Regulatory Commission of the provisional authority to reduce rates as provided in the IRR of the EPIRA. BOHECO II, FIBECO, DIELCO, CASURECO IV and SURNECO were among those ECs that significantly benefited by the loan condonation, hence, improved in their categories.
- 4) Several ECs likewise improved either in their categories or total point scores due to the bonus points earned for reducing systems loss. The table below shows the total point scores of some ECs with or without the systems loss bonus points:

EC	Systems Loss Bonus Points	WITHOUT Bonus Points		WITH Bonus Points	
		Score	Categ.	Score	Categ.
BATANELCO	6	93	A+	99	A+
PALECO	4	96	A+	100	A+
BOHECO II	12	86	A	98	A+
CEBECO II	2	98	A+	100	A+
NORECO II	4	93	A+	97	A+
SAMELCO I	8	92	A+	100	A+
DORECO	4	96	A+	100	A+

However, the increase in system loss above the cap of 14% mainly due to the removal of the Primary Voltage Discount (PVD) by the National Power Corporation (NPC) adversely affected the category of some ECs. Those ECs which had system loss within the 14% cap in 2002 but increased in 2003 are QUIRELCO (13% to 16%), GUIMELCO (14% to 17%), CENECO (13% to 16%), VRESCO (13% to 15%) and SURSECO II (13% to 16%).

On the other hand, single digit achievers are BENECO and BATANELCO at 6%; CEBECO III and MORESCO I at 7%; CEBECO I, MORESCO II and DORECO at 8%; and TIELCO, BOHECO I, CEBECO II and DASURECO at 9%. The following regions posted systems loss within the cap of 14%:

REGION	System Loss (%)
a) CAR	8.01
b) Region XI	9.95
c) Region VII	10.30
d) Region X	12.43
e) Region IV	14.23
f) CARAGA	14.33

- 5) The collection performance of ECs generally improved in 2003. There were 75 ECs which registered 95% - 100% collection efficiency in 2003 from 66 ECs in 2002.

Eleven (11) regions showed collection efficiency averages that are within the NEA standard of 95% and above. These are:

REGION	Collection Efficiency (%)
1) CAR	100.00
2) Region VII	99.33
3) Region XI	98.67
4) Region XII	98.41
5) Region I	98.00
6) CARAGA	96.86
7) Region IX	96.78
8) Region IV	96.45
9) Region X	95.77
10) Region VIII	95.32
11) Region VI	95.37

- 6) Enormous demerit points brought about by excessive cash advances of ECs attributed mainly to disallowances disclosed by the Management and Financial Audit conducted by the Coop Audit Department, has pulled down some ECs'

categorization. Among them are the following:

EC	Cash Advance (P'000)	Demerit Points
1) ZAMECO II	23,532	470
2) ZAMCELCO	10,103	202
3) NEECO I	6,292	125
4) PANELCO III	3,067	61
5) TAWELCO	2,234	44
6) PANELCO I	1,663	33
7) ALECO	1,095	21
8) ILECO II	702	14
9) BASELCO	497	9

Such demerit points greatly altered the true picture of the EC's actual operation. Thus, the Committee recommends to defer the categorization of the aforementioned nine (9) ECs and to give them until June 30, 2004 to liquidate/collect their cash advances/disallowances, after which their categorization shall be issued according to their compliance.

7) The 2003 results compared to 2002 figures follow:

CATEGORY	2002	%	2003	%	Increase/ (Decrease)
A+	40	34	45	38	5
A	15	13	15	13	0
B	21	17	13	11	(8)
C	3	2	10	8	7
D	13	11	12	10	(1)
E	27	23	15	13	(12)
Excluded	0	0	9	7	9
TOTAL	119	100	119	100	

Eight (8) ECs which improved from their 2002 category to A+ in 2003 are one (1) from category D, five (5) from B and two (2) from A. However, a total of three (3) ECs under A+ last year went down to B (2 ECs) and another one (1) to D.

8) The number of ECs that improved, maintained, retrogressed in 2003 as compared to 2002 (excluding the nine (9) ECs which categorization is being

deferred) are 27, 70 and 13, respectively. Hereunder is the table showing the regional performance:

Region	Improved	%	Maintained	%	Retrogressed	%	Excluded	%	Total
I	0		3		1		2		6
II	1		4		2		0		7
CAR	1		4		0		0		5
III	3		8		0		2		13
IV	2		9		2		0		13
V	7		2		1		1		11
VI	1		6		2		1		10
VII	2		8		0		0		10
VIII	2		7		2		0		11
IX	0		3		0		1		4
X	3		5		0		0		8
XI	0		3		0		0		3
XII	1		3		0		0		4
ARMM	1		2		2		2		7
CARAGA	3		3		1		0		7
TOTAL	27	23%	70	59%	13	11%	9	7%	119

Madam, for your approval.

THE CATEGORIZATION COMMITTEE:

Leila B. Bonifacio
LEILA B. BONIFACIO
Member

Benita T. Cuenco
BENITA T. CUENCO
Member

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Member

Francisco A. Caymo
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MILAGROS E. QUINAJON
Chairman

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EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION
IN REPLYING, PLS. LITE: #DR005174



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22/1/04

2003 CLASSIFICATION OF ELECTRIC COOPERATIVES

NO.	COOPERATIVES	POINT SCORE				CLASS	
		SALES	CONNECTIONS	KM OF LINES	TOTAL POINT SCORE	2002	2003
1	BATELEC II	40	30	30	100	ML	ML
2	BENECO	40	30	30	100	ML	ML
3	CENPELCO	40	30	30	100	ML	ML
4	DANECO	40	30	30	100	ML	ML
5	INEC	40	30	30	100	ML	ML
6	ISELCO I	40	30	30	100	ML	ML
7	SOCOTECO II	40	30	30	100	ML	ML
8	ALECO	40	30	30	100	ML	ML
9	NOCECO	40	30	30	100	ML	ML
10	BATELEC I	40	30	25	95	ML	ML
11	CENECO	40	30	25	95	ML	ML
12	ISECO	40	30	25	95	ML	ML
13	PANELCO III	40	30	25	95	ML	ML
14	ANECO	40	30	25	95	ML	ML
15	ZAMCELCO	40	35	20	95	ML	ML
16	QUEZELCO I	35	30	30	95	ML	ML
17	DASURECO	40	25	25	90	ML	ML
18	LUELCO	35	30	25	90	ML	ML
19	NORECO II	40	25	25	90	ML	ML
20	ORMECO	35	25	30	90	ML	ML
21	PELCO II	40	30	20	90	ML	ML
22	PENELCO	40	30	20	90	ML	ML
23	TARELCO I	35	30	25	90	ML	ML
24	ZAMSURECO I	35	25	30	90	ML	ML
25	CEBECO II	40	25	25	90	EL	ML
26	COTELCO	35	25	30	90	EL	ML
27	FIBECO	35	25	30	90	EL	ML
28	ZANECO	35	25	30	90	EL	ML
29	BOHECO I	30	25	30	85	EL	EL
30	CAPELCO	35	25	25	85	EL	EL
31	CASURECO II	40	25	20	85	EL	EL
32	CEBECO I	35	25	25	85	EL	EL
33	ILECO I	35	25	25	85	EL	EL
34	ISELCO II	35	25	25	85	EL	EL
35	SOCOTECO I	35	25	25	85	EL	EL
36	VRESOCO	35	25	25	85	EL	EL
37	CANORECO	35	25	25	85	EL	EL
38	LEYECO V	35	25	25	85	EL	EL
39	PALECO	35	25	25	85	EL	EL
40	ASELCO	30	25	25	80	EL	EL
41	BOHECO II	30	25	25	80	EL	EL
42	CAGELCO I	35	25	20	80	EL	EL
43	CAGELCO II	30	25	25	80	EL	EL
44	LANECO	30	20	30	80	EL	EL

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2003 CLASSIFICATION OF ELECTRIC COOPERATIVES

NO.	COOPERATIVES	POINT SCORE				CLASS	
		SALES	CONNECTIONS	KM OF LINES	TOTAL POINT SCORE	2002	2003
45	MAGELCO	30	20	30	80	EL	EL
46	MOELCI II	35	25	20	80	EL	EL
47	MORESCO I	35	20	25	80	EL	EL
48	NEECO I	35	25	20	80	EL	EL
49	NEECO II-N	35	25	20	80	EL	EL
50	SUKELCO	35	20	25	80	EL	EL
51	TARELCO II	35	25	20	80	EL	EL
52	ILECO II	35	20	25	80	EL	EL
53	SURSECO I	30	25	25	80	EL	EL
54	ZAMSURECO II	30	25	25	80	EL	EL
55	NEECO III (NMT)	35	25	20	80	EL	EL
56	AKELCO	25	25	25	75	EL	EL
57	BUSECO	30	20	25	75	EL	EL
58	CEBECO III	35	20	20	75	EL	EL
59	LEYECO II	40	20	15	75	EL	EL
60	NUVELCO	40	20	25	75	EL	EL
61	PANELCO I	30	20	25	75	EL	EL
62	PELCO I	35	25	15	75	EL	EL
63	PELCO III	40	20	15	75	EL	EL
64	DORECO	30	25	20	75	L	EL
65	SORECO II	30	25	20	75	L	EL
66	ZAMECO II	35	20	20	70	L	L
67	ANTECO	30	20	20	70	L	L
68	CASURECO I	30	20	20	70	L	L
69	CASURECO III	30	20	20	70	L	L
70	MORESCO II	30	20	20	70	L	L
71	OMECO	30	20	20	70	L	L
72	SOLECO	30	20	20	70	L	L
73	SURNECO	30	20	20	70	L	L
74	LEYECO I	30	20	20	70	L	L
75	SAMELCO II	30	20	20	70	L	L
76	NORECO I	30	20	20	65	L	L
77	ABRECO	25	20	20	65	L	L
78	FLECO	30	20	15	65	L	L
79	ILECO III	30	15	20	65	L	L
80	SORECO I	25	20	20	65	L	L
81	ZAMECO I	30	20	15	65	L	L
82	CASURECO IV	25	20	20	65	L	L
83	MARELCO	25	20	20	65	L	L
84	MOELCI I	25	20	20	65	L	L
85	NORSAMELCO	30	15	20	65	L	L
86	SURSECO II	25	20	20	65	M	L
87	QUIRELCO	30	15	20	65	L	L
88	ESAMELCO	25	15	20	60	L	L

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2003 CLASSIFICATION OF ELECTRIC COOPERATIVES

NO.	COOPERATIVES	POINT SCORE				CLASS	
		SALES	CONNECTIONS	KM OF LINES	TOTAL POINT SCORE	2002	2003
89	LEYECO IV	25	20	15	60	L	L
90	SAJELCO	30	15	15	60	L	L
91	KAELCO	25	15	20	60	L	L
92	FICELCO	25	15	20	60	M	L
93	MASELCO	30	15	15	60	M	L
94	AURELCO	25	15	15	55	M	M
95	BASELCO	25	15	15	55	M	M
96	LEYECO III	25	15	15	55	M	M
97	MOPRECO	20	15	20	55	M	M
98	QUEZELCO II	25	15	15	55	M	M
99	SAMELCO I	25	15	15	55	M	M
100	SULECO	25	15	15	55	M	M
101	TIELCO	25	15	15	55	M	M
102	BILECO	25	15	15	55	M	M
103	GUIMELCO	25	15	15	55	M	M
104	IFELCO	20	15	15	50	M	M
105	PRESCO	25	15	10	50	M	M
106	PROSIELCO	20	15	15	50	M	M
107	BANELCO	20	15	10	45	M	M
108	CAMELCO	20	10	15	45	M	M
109	SIARELCO	20	15	10	45	M	M
110	ROMELCO	20	10	15	45	S	M
111	BATANELCO	20	10	10	40	S	S
112	BISELCO	20	10	10	40	S	S
113	CASELCO	20	10	10	40	S	S
114	CELCO	20	10	10	40	S	S
115	DIELCO	20	10	10	40	S	S
116	LUBELCO	20	10	10	40	S	S
117	SIASELCO	20	10	10	40	S	S
118	TAWELCO	20	10	10	40	S	S
119	TICELCO	20	10	10	40	S	S

SUMMARY				INCREASE (DECREASE)	
	2002		2003		
ML	24	ML	28		4
EL	39	EL	38		-1
L	27	L	27		
M	19	M	17		-2
S	10	S	9		-1
	119		119		

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No for Data	Total	Category	Total	Category
REGION I															
ILOCOS NORTE	C		11		100	C	within	3					A+		A+
	25		25		20	10	15	0				95		97	
ILOCOS SUR	C		13		100	C	within	12					A+		A+
	25	3	23		20	10	15	0				96		93	
LA UNION	C		13		100	C	within	27					A+		A+
	25	3	23		20	10	15	0				96		95	
CENTRAL PANGASINAN	R		22		96	Rel-C	within	73					E		D
	(15)		0	1	20	8	15	1				28		31	

NOTES:

- C - Current
- Res - Restructured
- R - Regular
- Rel - Relending
- NDA - No data available

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No for Data	Total	Category	Total	Category
REGION II															
BATANES	C		6		93	C	within	1					A+		A+
	25		25	6	18	10	15	0				99		90	
CAGAYAN I	C		14		97	C	within	17					A+		A+
	25	1	20		20	10	15	0				91		93	
CAGAYAN II	C		17		99	C	within	36					B		B
	25	3	0		20	10	15	0				73		65	
ISABELA I	R		17		90	C	(3)	97					C		B
	20		0	3	15	10	12	1			1	58		67	
ISABELA II	R		17		92	C	(2)	189					D		D
	6		0	2	17	10	13	3			1	44		38	
NUEVA VIZCAYA	C		14		95	C	within	41					A+		B
	25	1	20	2	20	10	15	0				93		69	
QUIRINO	R		16		94	C	within	38					B		A+
	22		0		19	10	15	0				66		90	

NOTES:

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for Data	Total	Category	Total	Category
'CORDILLERA AUTONOMOUS REGION (CAR)															
ABRA	R		14		98	C	(1)	45							
	15		20		20	10	14	0				79	A	84	A
BENGUET	R		6		100	C	within	188							
	10		25	2	20	10	15	3				79	A	82	A
IFUGAO	R		14		89	C	(3)	0							
	23		20		14	10	12	0				79	A	79	A
KALINGA-APAYAO	R		14		92	C	(5)	49							
	18		20		17	10	10	0				75	A	75	A
MT. PROVINCE	R		15		95	C	within	43							
	10		0	4	20	10	15	0				59	C	22	E

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for Data	Total	Category	Total	Category
REGION III															
AURORA	C		12		99	C	within	0							
	25		25		20	10	15	0				95	A+	95	A+
NUEVA ECIIJA II	R		NDA		NDA	Rel-1	NDA					*	E		E
	(12)					5						(5)		(11)	
PAMPANGA I	R		25		86	Rel-C	within	0							
	(18)		0		11	8	15	0				16	E	18	E
PAMPANGA II	R		23		83	Rel-Res-1	within	125							
	(21)		0	1	8	0	15	2			1	0	E	1	E
PAMPANGA III	R		NDA		NDA	Rel-Res-1	NDA					*	E		E
	(12)					0					1	(56)		(48)	
PENELCO	C		12		92	C	within	14							
	25	1	25		17	10	15	0				93	A+	98	A+
PRESCO	R		12		93	C	within	160							
	(21)		25	6	18	10	15	3				50	D	15	E
SAN JOSE CITY	C		17		96	C	within	23							
	25		0		20	10	15	0				70	B	71	B
TARLAC I	C		13		91	C	within	37							
	25	1	23	2	16	10	13	0				90	A+	86	A
TARLAC II	C		11		97	C	within	41							
	25		25		20	10	15	0				95	A+	95	A+
ZAMBALES I	R		16		97	C	within	19							
	14		0	5	20	10	15	0				64	C	29	E

* The latest categorization results (as of June 30, 2003) were used due to the ECs' (NEECO II and PELCO III) non-submission of Monthly Financial and Statistical Report (MFSR) as of December 31, 2003.

NOTES:
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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	over for Rate	Total	Category	Total	Category	
REGION IV																
BATANGAS I	C 25	1	15 0	6	98 20	C 10	within 15	14 0					77	A	69	B
BATANGAS II	R (4)		13 23	2	98 20	Rel-1 5	within 15	62 1					60	C	57	C
BUSUANGA	R 22		16 0		79 4	C 10	within 15	6 0					51	D	69	B
LAGUNA	R (21)		23 0		84 9	Rel-1 5	(2) 13	50 1					5	E	7	E
LUBANG	R (21)		18 0	3	95 20	C 10	(7) 8	156 3					17	E	23	E
MARINDUQUE	R 20		14 20	2	98 20	C 10	within 15	48 0					87	A	65	B
OCCIDENTAL MINDORO	C 25		15 0	2	100 20	C 10	within 15	75 1					71	B	70	B
OCCIDENTAL MINDORO	C 25		14 20		100 20	C 10	within 15	0 0					90	A+	91	A+
PALAWAN	C 25	3	11 25	4	93 18	C 10	within 15	25 0					100	A+	95	A+
QUEZON I	C 25		14 20		93 18	C 10	within 15	194 3					85	A	83	A
QUEZON II	C 25		16 0		99 20	C 10	within 15	15 0					70	B	80	A
ROMBLON	C 25		11 25	2	98 20	C 10	within 15	48 0					97	A+	95	A+
TABLAS	C 25		9 25		98 20	C 10	(2) 13	3 0					93	A+	90	A+

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	over for Rate	Total	Category	Total	Category	
REGION V																
CANORECO	R 3		15 0	4	92 17	Res-C 8	within 15	10 0					47	D	27	E
CAMARINES SUR I	R (20)		18 0	1	92 17	C 10	(4) 11	14 0					19	E	31	D
CAMARINES SUR II	R 17		19 0		93 18	C 10	(2) 13	19 0					58	C	24	E
CAMARINES SUR III	R (22)		28 0		99 20	Rel-Res-1 0	within 15	256 5					8	E	11	E
CAMARINES SUR IV	C 25		16 0	4	92 17	C 10	within 15	42 0					71	B	31	D
CATANDUANES	R (2)		11 25	4	100 20	Res-C 8	within 15	20 0					70	B	55	C
MASBATE	R 2		18 0	7	92 17	Res-C 8	within 15	49 0					49	D	16	E
SORSOGON I	R 1		17 0	3	91 16	Res-1 5	(2) 13	41 0					38	D	21	E
SORSOGON II	R (4)		18 0	5	89 14	1 8	(5) 10	123 2					31	D	22	E
TICAO	R 13		23 0		76 1	21 0	within 15	124 2					27	E	(1)	E

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No. of for	Total	Category	Total	Category	
REGION VI																
AKLAN	R		15		93	Res-C	within	48								
	6		0	8	18		15	0				55	C	11	E	
ANTIQUE	C		11		100	C	within	32								
	25		25		20	10	15	0				95	A+	97	A+	
CAPIZ	C		14		97	Res-1	(1)	22								
	25	2	20		20	5	14	0				86	A	88	A	
GUIMARAS	C		17		99	C	within	21								
	25		0		20	10	15	0				70	B	90	A+	
ILOILO I	C		13		100	C	within	0								
	25	3	23		20	10	15	0				96	A+	99	A+	
ILOILO III	R		18		93	C	(2)	41								
	8		0		18	10	13	0				49	D	45	D	
CENTRAL NEGROS	R		16		92	Res-1	within	262								
	16		0		17	5	15	5				48	D	67	B	
NEGROS OCCIDENTAL	C		13		100	C	within	14								
	25	3	23	2	20	10	15	0				98	A+	90	A+	
VRESKO	C		15		98	C	within	23								
	25		0		20	10	15	0				70	B	69	B	

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No. of for	Total	Category	Total	Category	
REGION VII																
BANTAYAN	C		12		97	C	(2)	14								
	25	3	25		20	10	13	0				96	A+	95	A+	
BOHOLI	C		9		100	C	within	0								
	25	1	25		20	10	15	0				96	A+	100	A+	
BOHOLI II	R		11		100	C	within	0								
	15	1	25	12	20	10	15	0				98	A+	41	D	
CAMOTES	R		18		98	C	within	42								
	(20)		0		20	10	15	0				25	E	28	E	
CEBU I	C		8		100	C	within	0								
	25		25		20	10	15	0				95	A+	95	A+	
CEBU II	C		9		98	C	within	0								
	25	3	25	2	20	10	15	0				100	A+	94	A+	
CEBU III	C		7		100	C	within	0								
	25	2	25		20	10	15	0				97	A+	95	A+	
NEGROS OR. I	R		14		96	C	within	13								
	23		20		20	10	15	0				88	A	88	A	
NEGROS OR. II	C		13		97	C	within	151								
	25	3	23	4	20	10	15	3				97	A+	66	B	
SIQUJOR	C		10		99	C	within	0								
	25	3	25		20	10	15	0				98	A+	97	A+	

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for Rate	Total	Category	Total	Category	
REGION VIII																
BILIRAN	C		15		97	C	(1)	109								
	25		0		20	10	14	2					67	B	72	B
LEYTE I/DORELCO	R		21		95	C	within	39								
	5		0		20	10	15	0					50	D	42	D
LEYTE II	C		14		98	C	within	49								
	25		20		20	10	15	0					90	A+	92	A+
LEYTE III	R		19		100	C	(1)	246								
	23		0		20	10	14	4					63	C	66	B
LEYTE IV	C		13		100	C	within	31								
	25		23	2	20	10	15	0					95	A+	90	A+
LEYTE V	R		14		93	C	(2)	85								
	17		20		18	10	13	1					77	A	85	A
SOUTHERN LEYTE	C		16		98	C	within	6								
	25		0		20	10	15	0					70	B	68	B
EASTERN SAMAR	R		22		83	Rel-1	(3)	302								
	(10)		0		8	5	12	6					9	E	34	D
NORTHERN SAMAR	R		19		87	1	(4)	47								
	(20)		0		12	8	11	0					11	E	15	E
SAMAR I	R		12		100	C	within	26								
	22		25	8	20	10	15	0					100	A+	65	B
SAMAR II	R		13		98	C	within	49								
	13		23	6	20	10	15	0					87	A	41	D

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for Rate	Total	Category	Total	Category	
REGION IX																
ZAMBOANGA NORTE	C		15		96	C	within	246								
	25		0		20	10	15	4					66	B	71	B
ZAMBOANGA SUR I	C		14		99	C	(1)	25								
	25	3	20		20	10	14	0					92	A+	97	A+
ZAMBOANGA SUR II	C		13		100	C	within	44								
	25		23	2	20	10	15	0					95	A+	90	A+

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for	Total	Category	Total	Category
REGION X															
BUKIDNON I	C		13		99	1	within	46					A+		B
	25		23		20	8	15	0					91		68
BUKIDNON II	C		14		87	C	(1)	35					A		A
	25		20		12	10	14	0					81		88
CAMIGUIN	R		14		100	C	within	42					A		A
	21	1	20		20	10	15	0					87		75
LANAO NORTE	C		13		100	C	within	16					A+		A+
	25	1	23	2	20	10	15	0					96		90
MISAMIS OCCIDENTAL I	R		13		100	Res-C	(5)	45					A		B
	18		23		20	8	10	0					79		70
MISAMIS OCCIDENTAL II	R		17		96	C	within	97					C		E
	17		0	3	20	10	15	1					64		29
MISAMIS ORIENTAL I	C		7		100	C	within	85					A+		A+
	25		25		20	10	15	1					94		95
MISAMIS ORIENTAL II	C		8		90	C	within	0					A+		A+
	25	2	25		15	10	15	0					92		94

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	for	Total	Category	Total	Category
REGION XI															
- DAVAO ORIENTAL	C		8		100	C	within	31					A+		A+
	25	1	25	4	20	10	15	0					100		92
DAVAO NORTE	C		11		100	C	within	0					A+		A+
	25		25		20	10	15	0					95		97
DAVAO SUR	C		9		98	C	within	12					A+		A+
	25		25		20	10	15	0					95		95

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No. of for	Total	Category	Total	Category
REGION XII															
NORTH COTABATO	C		13		95	C	within	26							
	25	3	23		20	10	15	0				96	A+	95	A+
SOUTH COTABATO I	C		14		98	C	within	16							
	25		20		20	10	15	0				90	A+	93	A+
SOUTH COTABATO II	C		14		98	C	within	0							
	25	3	20	2	20	10	15	0				95	A+	70	B
SULTAN KUDARAT	C		14		97	C	within	32							
	25		20		20	10	15	0				90	A+	90	A+

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002	
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	No. of for	Total	Category	Total	Category
AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM)															
CAGAYAN DE SULU	R		NDA		NDA	1	NDA					*	E		E
	(21)					8						17		17	
LANAO SUR	R		NDA		NDA	12	NDA					*	E		E
	(22)					0						(22)		(22)	
MAGUINDANAO	C		21		87	C	(2)	35					C	35	D
	25	2	0	2	12	10	13	0				64			
SIASI ISLAND	R		NDA		NDA	8	NDA	184				*	D		A+
	23	3				0		3				50		90	
SULU	C		34		72	12	(1)	337					D		C
	25	5	0		0	0	14	6				38		56	

* The previous 2002 categorization results for CASELCO and LASURECO (latest available data) and the June 30, 2003 categorization results for SIASELCO were adopted due to the EC non-submission of Monthly Financial and Statistical Report (MFSR) as of Dec. 31, 2003

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CY 2003 EC CATEGORIZATION

COOPERATIVE	Amortization Payment		Systems Loss		Collection Efficiency	Payment to PS	Non-Power Cost	Demerit Points				2003		2002		
	Major	Incentive	Major	Bonus				Cash Adv.	No AB	No CF	no/yr for Del.	Total	Category	Total	Category	
CARAGA																
AGUSAN NORTE	C 25		12 25	2	97 20	C 10	within 15	20 0				97	A+	93	A+	
AGUSAN SUR	C 25	3	13 23	2	95 20	C 10	within 15	31 0				98	A+	82	A	
DINAGAT ISLAND	C 25		13 23	4	98 20	C 10	(1) 4	49 0				86	A	37	D	
SIARGAO	C 25	3	11 25		100 20	C 10	within 15	7 0				98	A+	92	A+	
SURIGAO NORTE	C 25	2	23 0	2	97 20	1 8	within 15	26 0				72	B	32	D	
SURIGAO SUR I	C 25		14 20		97 20	C 10	within 15	27 0				90	A+	92	A+	
SURIGAO SUR II	R 17		16 0		96 20	C 10	(2) 13	12 0				60	C	84	A	

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