



Republic of the Philippines
National Electrification Administration

August 9, 2005

NEA MEMORANDUM No. 2005-023

T O : ALL ELECTRIC COOPERATIVES

**SUBJECT : ADDENDUM TO THE POLICY GUIDELINES
ON SUBSIDY FUNDS**

In compliance with Article 8, Exemption from Payment of Meter Deposits and Article 14, Right to Extension of Lines and Facilities of the Magna Carta for Residential Electricity Consumers, the following addendum to the Policy Guidelines on Subsidy Funds dated May 13, 1997 is hereby issued:

1. Subsidy fund releases to ECs for extension of distribution lines shall include the cost of electronic kWh meters, Class 15 or 30 to be installed on houses of the poorest consumers along lines to be constructed.
2. Thirty (30) meters of #6 Duplex Wires for housewiring connection shall be provided free to same consumers and may be included in subsidy releases.

This addendum is being issued in order to support the lifeline consumers and to unburden ECs in the requirement of using their 5% Reinvestment Fund to procure electric watt-hour meters for their consumers, and to enable the ECs as well, to utilize the 5% Reinvestment Fund instead for systems upgrading and improvement in order to reduce their system losses.

This shall take effect immediately.


EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION

IN REPLYING, PLS. QUOTE: #0R007251



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