



Republic of the Philippines  
**National Electrification Administration**

27 July 2006

NEA MEMORANDUM No. 2006-024

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : AMENDED STANDARD ON CUSTOMER/EMPLOYEE RATIO  
TO 1:350

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With the Electric Power Industry Reform Act (EPIRA) providing the framework for structural reforms leading to a competitive power industry, electric cooperatives (ECs) must achieve the desired level of efficiency in a sustainable manner, by being prudent on essential expenditures and to ensure operational reliability through a lean and mean organization.

Results of the benchmarking on the ECs classification from Mega-Large to Small showed that the staffing levels on customer-employee ratio average ranges from 150 to 250 which is below the standard ratio of other private utilities.

With the new trend in information technology such as automation, computerization of systems, outsourcing of labor intensive services, and multi-tasking of employees, the ECs are undoubtedly benefited with these techniques. Likewise, collection thru payments in the banks and other collection centers in the far flung areas facilitate the lessening of the employees workload.

Along this line, NEA recognized the need to revise the existing standard on customer employee ratio from 1:250 to 1:350. This ratio, equal to or better than 1:350, can be achieved over the next three years through a Staff Rationalization Program to be incorporated in the EC Integrated Computerized Planning Model (ICPM).

Hence, Management is enjoined to formulate the guidelines and a timetable for this purpose through normal attrition or early/voluntary retirement plan for EC employees. This will substantially decrease the Non-Power Cost and will effect a more efficient, highly competent and responsive organization.

For strict compliance.

  
EDITA S. BUENO  
Administrator

NATIONAL ELECTRIFICATION  
ADMINISTRATION

IN REPLYING, PLS. CITE: #0A009075



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*g.e.*  
*3/25/06*