



Republic of the Philippines
National Electrification Administration

04 September 2006

NEA MEMORANDUM No. 2006-028

To : ALL ELECTRIC COOPERATIVES

**Subject : Organization of the
Multi-Sectoral Electrification Advisory Council (MSEAC)**

The advent of the Electric Power Industry Reform Act of 2001 (EPIRA) enveloped the electric cooperatives (ECs) within an environment of structural changes and reforms accompanied by the rigid demands of open access and competition. The EPIRA, thus, justly emphasizes the protection of the rights and interest of member-consumers and their further empowerment as active partners of the EC in its operation and decision-making processes. And for the ECs, the necessity to win its membership to its side is paramount if it wants to survive competition.

Thus, the *Implementing Guidelines on the Organization of Multi-Sectoral Electrification Advisory Council (MSEAC)* is hereby issued, as attached, to help strengthen the role of the ECs' member-consumers as important players in the rural electrification program under the changes and challenges of the EPIRA environment. An MSEAC is therefore mandated to be organized in every district/municipality, consisting of **10** sectoral representatives who shall serve as effective complements in the furtherance of institutional strengthening of our ECs.

Upon effectivity of these guidelines, existing Member-Consumer Electrification Committees (MCECs) or District Electrification Committees (DECs) shall be converted into MSEAC whose membership shall be confirmed in writing by the sector they represent within a given period of 15 days.

The coop shall call a quarterly meeting, or as need arises, of all MSEAC members and submit a summary report to the Board of Directors and NEA, through the Institutional Development Department.

NEA shall cause the publication of these guidelines to ensure wider participation and interest of member-consumers of ECs.

For your compliance.


EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION

IN REPLYING, PLS. QUOTE: #0A009261



NEA-0A009261

*21
9/21/06*

IMPLEMENTING GUIDELINES
ON THE ORGANIZATION OF
MULTI-SECTORAL ELECTRIFICATION
ADVISORY COUNCIL
(MSEAC)

I. RATIONALE

As the market environment of the energy industry evolves to become highly competitive, Sec. 76 of the EPIRA requires that all end-users are educated and protected, including EC member-consumers.

The member-consumers, as part-owners of the ECs have to be constantly informed on government policies, market updates, EC programs and policies, financial developments and technical requirements for them to have a wider understanding of the over-all operations of the ECs and how each one of them contributes to the program.

The **Multi-Sectoral Electrification Advisory Council (MSEAC)** is created, therefore, to serve as effective complement in the institutional strengthening of the ECs by providing the network for active participation and solidarity of member-consumers. The MSEAC representative shall assist in conducting interactive gatherings with member-consumers to evoke positive action on various programs of the ECs.

II. SCHEME OF ORGANIZATION OF MSEAC

Existing Member-Consumer Electrification Committees (MCECs) or District Electrification Committees (DECs) will be converted to MSEAC upon effectivity of these Guidelines, whose membership shall be confirmed in writing by the sector they represent within a given period of 15 days.

The MSEAC shall be composed of representatives of the following sectors:

- | | |
|----------------------------|--|
| 1) AGRO-FISHERY | - President/Head of any Agro-Fishery Association |
| 2) BARANGAY COUNCIL | - ABC President or Officer |
| 3) BUSINESS | - President or Officer of any business organization |
| 4) CIVIC | - President or Officer of any Civic organization |
| 5) EDUCATION | - Head of Division/District and School |
| 6) LOCAL GOV'T. | - SB Member or LGU official |
| 7) MEDIA | - Officer of local Media group |
| 8) RELIGIOUS | - Parish Priest, Pastor or Officer of Religious Organization |
| 9) YOUTH | - President of SK or any youth organization |
| 10) WOMEN | - President/Head of any Women organization |

III. QUALIFICATIONS OF MSEAC MEMBERS

1. A Filipino citizen
2. A bonafide member of the cooperative, except for representative of the youth sector who may not be a member-consumer himself/herself, but is a child of a member-consumer and is not more than **21** years old.
3. A member of good standing, with no record of arrearages and has not been apprehended of electric pilferage.
4. Not an official/employee of the electric cooperative, nor his/her spouse.
5. Has not been convicted of crime involving moral turpitude.
6. Has not been terminated for cause from government or private employment.
7. Has been nominated in writing by the nominating sector.

IV. MECHANICS OF ORGANIZATION

The coop management, through the Institutional Services Department, shall coordinate with the concerned Sectors to identify their **two (2) nominees** for MSEAC membership. The nominating sector shall be responsible for its nominees.

After determining the qualifications of the nominees, the Coop shall confirm their nomination and shall appoint them as official representatives (*one official and one alternate member*) of the MSEAC in their district/municipality. It is understood that those who do not meet the qualifications shall be replaced by another nominee, to be submitted by the nominating sector immediately upon notice.

The appointed representatives shall be called to an **Orientation Meeting and Oath-Taking**, after which they shall choose a *Chairman, Vice-Chairman* and *Secretary* from among themselves to represent their respective district.

The Board of Directors, through a Board Resolution, shall act on the appointment of the MSEAC members.

NEA shall be furnished a copy of the Resolution confirming the appointment of MSEAC members, for information.

V. MEETING AND ALLOWANCE/PER DIEM

The MSEAC shall meet at least once every quarter, or as need arises, or upon the call of the General Manager and/or the Board of Directors. The meeting date, venue and agenda shall be prepared by the MSD/ISD Manager and duly approved by the General Manager who shall sign the notice of such meeting.

The electric coop shall provide **allowance** or **per diem** to MSEAC members for every meeting attended to cover transportation costs and other related expenses, the amount of which to be determined/recommended by the EC Board, subject to the approval of the NEA.

VI. TERM OF OFFICE

The term of office of the MSEAC members shall be *three (3) years* from the date of their oath-taking, which may be renewed upon recommendation of the nominating sector and subject to evaluation of performance.

The nominating sector shall be informed of any act of wrongdoing by its members. The MSEAC members shall be removed/replaced if they are found, after due process, to have committed acts that are detrimental or inimical to the best interest of the coop.

In case of incapacity of any MSEAC member to continue in his/her post due to sickness, physical disability, resignation, death or other causes, the concerned Sector shall endorse another nominee as replacement.

VI. TRAINING PROGRAM/COORDINATING AND MONITORING OF MSEAC ACTIVITIES

Training program for the MSEAC members shall be implemented by the EC and/or NEA to ensure a complete understanding of their roles, duties and responsibilities. Coop local training programs in coordination with related agencies are also encouraged.

The EC management shall designate a particular unit/staff in the ISD to help prepare a work program for the MSEAC, such as monitor/coordinate its subsequent activities. Said staff shall arrange/schedule MSEAC meetings and consolidate reports and recommendations for submission to the EC management for appropriate consideration.

VII. DUTIES AND RESPONSIBILITIES

The MSEAC shall be utilized as information channels in the dissemination of EC programs and policies. They can also serve as effective catalysts in harnessing member-consumer efforts in support of activities contributory to improvement of the EC operations.

The MSEAC Chairman or his/her representative **shall be allowed to attend Board Meetings** as an observer or to discuss relevant issues and concerns affecting their district/municipality. The attendance of the MSEAC chairpersons/representatives shall be a regular activity, done in schedules, to ensure transparency and responsiveness of EC policies, decisions and generate immediate feedbacks.

They shall be concerned with, but not limited to the following related functions/developmental areas:

1. *Policy Recommendation*
2. *Campaign for Improvement of Collection*
3. *Campaign for Non-Pilferage of Electricity*
4. *Membership Information and Education Program*

5. *Membership Meetings*
6. *Campaign for Energy Conservation and Safety Measures*
7. *Other Service-Oriented Activities*

1. POLICY RECOMMENDATION

- a. To serve as an advisory committee to the Board/Management in the formulation of coop policies.
- b. To participate in strategic planning, work plan and evaluation sessions to input most desired outputs of member-consumers.
- c. To get concrete feedbacks from member-consumers regarding EC policies and performance, EC officials and employees efficiency and performance and present such to the board/management as basis in determining relevance and validity of adopted policies and validating the effectiveness of services rendered by the EC and its official/employees to the member-consumers.

2. CAMPAIGN FOR IMPROVEMENT OF COLLECTION

- a. To assist management in effectively carrying out campaigns for prompt payment of electric bills.
- b. In coordination with EC management, to maintain a periodic data on the status of receivables in assigned areas of responsibility as reference for conducting campaign for increase in collection.

3. CAMPAIGN FOR NON-PILFERAGE OF ELECTRICITY

- a. To support the management in effectively carrying out campaigns for non-pilferage of electricity.
- b. In coordination with EC management, to maintain a periodic data on the percentage of line losses in assigned areas of responsibility as reference for conducting campaigns for minimizing line losses.

4. MEMBERSHIP INFORMATION AND EDUCATION PROGRAM

- a. To assist in disseminating information to all members and consumers regarding EC policies and other service rules and regulations.
- b. To act as channel of information between EC management and the membership, particularly with reference to billing, collection, meter reading, meter inspection and calibration, service connection, house wiring installation and other service complaints affecting day-to-day service operations of the EC.
- c. To act as channel of information about the implementation and impact of open access and retail competition on end-users, including but not limited to competitive electricity suppliers, choice of competitive electricity services, regulated transmission and distribution services, and system reliability.
- d. To assist in updating/sanitation of masterlist of members.

5. MEMBERSHIP MEETINGS

- a. To assist the EC in the preparation of the conduct of district, annual and other general membership meetings.
- b. To educate members on the significance and implications of holding district, annual and other general membership meetings and how they could be conducted in the most meaningful, productive, orderly and peaceful manner.

**6. CAMPAIGN FOR ENERGY CONSERVATION
AND SAFETY MEASURES**

- a. To assist in educating the member-consumers on the importance of energy conservation and safety measures.

7. OTHER SERVICE-ORIENTED ACTIVITIES

- a. To assist the EC in the implementation of special projects.
- b. To submit nominees to a **vacant position** in the EC Board of Directors as provided for in the Election Code.

VIII. RESPONSIBILITY

The General Manager and the Institutional Services Department Manager shall be responsible for the full implementation of these guidelines.