



Republic of the Philippines  
**National Electrification Administration**  
Quezon City

12 May 2008

**MEMORANDUM No. 2008-011**

Series of 2008

TO : ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT : REVISED SALARY SCALE FOR ELECTRIC COOPERATIVE  
GENERAL MANAGERS

I. PURPOSE

The EPIRA demands a high level of competence and market-driven performance. It is therefore necessary to upgrade the Salary Scale of General Managers (GMs) of Electric Cooperatives (ECs) in order to provide them with a competitive package for their services, comparable with the prevailing compensation level in the industry.

II. POLICY

It shall be the policy of this Office to establish a Salary Scale for General Managers of Electric Cooperatives that is attractive to competent and achievement-directed professionals, be responsive as well to present economic conditions, and to maintain a roster of adequately compensated, highly-motivated and performance-oriented General Managers.

III. SALARY UPGRADING

The point system indicated below shall be used for purposes of upgrading the salaries of General Managers who have been permanent for at least two (2) years; but may be considered for salary upgrading in situations where a GM exceeded/surpassed targets.

PARAMETERS	POINTS
<b>SYSTEM &amp; CUSTOMER EFFICIENCY STANDARDS</b>	
SYSTEM LOSS As approved by ERC	15
POWER FACTOR ( at least 85%)	5
HOUSE CONNECTIONS	
81% and above of potential	10
61% - 80 of potential	8
41% - 60% of potential	6
21% - 40% of potential	4
20% and below of potential	2

<b>BARANGAY ENERGIZATION</b>	
Above 10 barangays	10
8 – 9 barangays	8
6 - 7	6
4 - 5	4
3 and below	2
<b>CUSTOMER PER EMPLOYEE</b>	
1:350 and above	10
1: 300 and above	4
1:250 and below	3
Below 1:200	0
<b>FINANCIAL OBLIGATIONS</b>	
<b>NEA AMORTIZATION PAYMENT</b>	
Current	15
Overdue	0
<b>Restructured - Current</b>	10
Bonus point for advance payment (1 point for every quarter or 1M whichever is higher not to exceed 5 points)	
<b>POWER BILL</b>	
<b>TRANSCO</b>	
Current	5
Overdue	0
<b>GENCO</b>	
Current	5
Overdue	0
<b>FINANCIAL STANDARDS</b>	
LIQUIDITY (Current Ratio ) (1:1)	5
POSITIVE RESULT IN FINANCIAL OPERATION	10
<b>EFFICIENCY RATIO/AVERAGE COLLECTION PERIOD</b>	
30 days & below	5
31 – 35 days	4
36 – 40 days	3
41 – 45 days	2
More than 45 days	1
COMPLIANCE TO AUDIT FINDINGS	5
<b>TOTAL POINTS</b>	<b>100</b>

The above are the criteria-based evaluation. An executive narrative assessment shall be done by the Institutional Development Department considering the inputs from the various line departments which are dealing with the EC GMs. Any milestone or benchmarking performance or any issue or concern shall be disclosed to guide the Deputy Administrator/s and Administrator in rendering their decision. Relationship with stakeholders should be likewise assessed to help GMs in their most effective response to leadership and management situations.

#### IV. STEP INCREMENTS

##### A. OUTSTANDING PERFORMANCE

In addition to these criteria, a GM who maintains his coop's A+ category for a number of consecutive years is entitled to step increases reckoned from the base salary of the rank corresponding to the total number of points garnered, as provided below:

NO OF CONSECUTIVE YEARS	STEP INCREASE
3	1
4 to 6	2
7 to 10	3
11 to 13	4
14 and above	5

##### B. PROFESSIONAL UPGRADING

1. A GM who finishes the Chief Executive Officer Competency-Based Leadership Program Self-Development Course is entitled to a rank increment.
2. A GM who has earned a masteral/post graduate degree is entitled to a rank increment.

#### V. MECHANICS OF IMPLEMENTATION

1. The Board shall review the performance of the GM on an annual basis. Based on good performance, the Board may grant a salary increase to the GM manifested through a Board Resolution. The increase will be guided by the point-system prescribed under these guidelines.
2. The upgrading of the GM's salary shall be suspended/deferred in any of the following cases:
  - a. if the coop posted a cumulative net loss on its past six (6) consecutive months of operations at the end of the month proceeding the evaluation;
  - b. if the coop's performance based on the **Key Performance Indicators** showed a marked downtrend from the previous year's figures; and
  - c. if there is pending case with the NEA and/or there are major adverse findings in the final audit report.
3. Automatic performance evaluation/review of GM who has not received any salary adjustment for the last two (2) years with at least a very satisfactory performance shall be done by the NEA, and results shall be forwarded through a letter to the Board of the Directors for appropriate action.

4. The Board may approve a GM's salary upgrading beyond these guidelines, in consideration of innovations that enhance operational efficiency, or of special projects that generate savings or additional revenue for the cooperative.
5. If after the evaluation, the resulting points and salary step increments result to the maximum salary grade and steps, salary upgrading shall be based on the additional increment between steps.
6. Any adjustment in the General Manager's salary shall be explicitly approved by the NEA Administrator to officialize and confirm the same.

Attached are the new Salary Scales according to the classification of the ECs.

**VI. AMENDATORY CLAUSE**

This supersedes the Memorandum on the Revised Salary Scale for General Managers dated 11 September 2003.

**VII. EFFECTIVITY**

These guidelines shall take effect fifteen (15) days upon submission of copies to the University of the Philippines Law Center, as required by Executive Order 292.

  
**EDITA S. BUENO**  
Administrator

NATIONAL ELECTRIFICATION  
ADMINISTRATION

IN REPLYING, PLS. CITE: #OR012381



NEA-OR012381

*nl*  
*5/21/08*

**GENERAL MANAGERS SALARY SCALE  
FOR SMALL ELECTRIC COOPERATIVE**

SCORE	RANK	BASE	INCREMENT BETWEEN RANKS	INCREMENT BETWEEN STEPS	S T E P S							
					1	2	3	4	5	6	7	8
97-100	15	45,000	1,285	1,015	46,015	47,029	48,044	49,058	50,073	51,088	52,102	53,117
93-96	14	43,715	1,248	986	44,701	45,687	46,672	47,658	48,644	49,629	50,615	51,601
89-92	13	42,467	1,212	958	43,425	44,382	45,340	46,298	47,255	48,213	49,170	50,128
85-88	12	41,255	1,178	930	42,185	43,116	44,046	44,976	45,906	46,836	47,766	48,697
81-84	11	40,078	1,144	904	40,981	41,885	42,788	43,692	44,596	45,499	46,403	47,306
77-80	10	38,933	1,111	878	39,811	40,689	41,567	42,445	43,323	44,200	45,078	45,956
73-76	9	37,822	1,080	853	38,675	39,528	40,380	41,233	42,086	42,939	43,791	44,644
69-72	8	36,742	1,049	828	37,571	38,399	39,228	40,056	40,884	41,713	42,541	43,370
65-68	7	35,693	1,019	805	36,498	37,303	38,108	38,913	39,717	40,522	41,327	42,132
61-64	6	34,675	990	782	35,456	36,238	37,020	37,802	38,584	39,365	40,147	40,929
57-60	5	33,685	962	759	34,444	35,204	35,963	36,723	37,482	38,242	39,001	39,761
53-56	4	32,723	934	738	33,461	34,199	34,937	35,674	36,412	37,150	37,888	38,626
49-52	3	31,789	907	717	32,506	33,222	33,939	34,656	35,373	36,089	36,806	37,523
45-48	2	30,882	882	696	31,578	32,274	32,970	33,667	34,363	35,059	35,756	36,452
Below 45	1	30,000		676	30,676	31,353	32,029	32,706	33,382	34,058	34,735	35,411

**GENERAL MANAGERS SALARY SCALE  
FOR MEDIUM ELECTRIC COOPERATIVE**

SCORE	RANK	BASE	INCREMENT BETWEEN RANKS	INCREMENT BETWEEN STEPS	S T E P S							
					1	2	3	4	5	6	7	8
97-100	15	50,000	1,258	1,112	51,112	52,224	53,335	54,447	55,559	56,671	57,783	58,895
93-96	14	48,742	1,226	1,084	49,826	50,910	51,994	53,078	54,162	55,245	56,329	57,413
89-92	13	47,516	1,195	1,057	48,573	49,629	50,686	51,742	52,799	53,856	54,912	55,969
85-88	12	46,321	1,165	1,030	47,351	48,381	49,411	50,441	51,471	52,501	53,531	54,561
81-84	11	45,156	1,136	1,004	46,160	47,164	48,168	49,172	50,176	51,180	52,184	53,188
77-80	10	44,020	1,107	979	44,999	45,977	46,956	47,935	48,914	49,893	50,872	51,850
73-76	9	42,912	1,079	954	43,867	44,821	45,775	46,729	47,684	48,638	49,592	50,546
69-72	8	41,833	1,052	930	42,763	43,693	44,624	45,554	46,484	47,414	48,344	49,275
65-68	7	40,781	1,026	907	41,688	42,594	43,501	44,408	45,315	46,222	47,128	48,035
61-64	6	39,755	1,000	884	40,639	41,523	42,407	43,291	44,175	45,059	45,943	46,827
57-60	5	38,755	975	862	39,617	40,478	41,340	42,202	43,064	43,925	44,787	45,649
53-56	4	37,780	950	840	38,620	39,460	40,300	41,140	41,980	42,820	43,661	44,501
49-52	3	36,830	926	819	37,649	38,468	39,286	40,105	40,924	41,743	42,562	43,381
45-48	2	35,903	903	798	36,701	37,500	38,298	39,097	39,895	40,693	41,492	42,290
Below 45	1	35,000		778	35,778	36,557	37,335	38,113	38,891	39,670	40,448	41,226

**GENERAL MANAGERS SALARY SCALE  
FOR LARGE ELECTRIC COOPERATIVE**

SCORE	RANK	BASE	INCREMENT BETWEEN RANKS	INCREMENT BETWEEN STEPS	S T E P S							
					1	2	3	4	5	6	7	8
97-100	15	60,000	1,713	1,353	61,353	62,706	64,058	65,411	66,764	68,117	69,470	70,822
93-96	14	58,287	1,664	1,314	59,601	60,916	62,230	63,544	64,858	66,172	67,487	68,801
89-92	13	56,623	1,616	1,277	57,900	59,177	60,453	61,730	63,007	64,283	65,560	66,837
85-88	12	55,007	1,570	1,240	56,247	57,487	58,728	59,968	61,208	62,448	63,689	64,929
81-84	11	53,437	1,525	1,205	54,642	55,846	57,051	58,256	59,461	60,666	61,870	63,075
77-80	10	51,911	1,482	1,170	53,082	54,252	55,423	56,593	57,763	58,934	60,104	61,275
73-76	9	50,429	1,440	1,137	51,566	52,703	53,840	54,977	56,114	57,251	58,388	59,526
69-72	8	48,990	1,398	1,105	50,094	51,199	52,303	53,408	54,513	55,617	56,722	57,826
65-68	7	47,591	1,359	1,073	48,664	49,737	50,810	51,883	52,956	54,029	55,103	56,176
61-64	6	46,233	1,320	1,042	47,275	48,318	49,360	50,402	51,445	52,487	53,530	54,572
57-60	5	44,913	1,282	1,013	45,926	46,938	47,951	48,964	49,976	50,989	52,001	53,014
53-56	4	43,631	1,246	984	44,615	45,598	46,582	47,566	48,550	49,533	50,517	51,501
49-52	3	42,385	1,210	956	43,341	44,297	45,252	46,208	47,164	48,119	49,075	50,031
45-48	2	41,175	1,175	928	42,104	43,032	43,961	44,889	45,817	46,746	47,674	48,602
Below 45	1	40,000		902	40,902	41,804	42,706	43,607	44,509	45,411	46,313	47,215

**GENERAL MANAGERS SALARY SCALE  
FOR EXTRA LARGE ELECTRIC COOPERATIVE**

SCORE	RANK	BASE	INCREMENT BETWEEN RANKS	INCREMENT BETWEEN STEPS	S T E P S							
					1	2	3	4	5	6	7	8
97-100	15	70,000	2,175	1,595	71,595	73,189	74,784	76,378	77,973	79,567	81,162	82,756
93-96	14	67,825	2,107	1,545	69,370	70,915	72,460	74,005	75,550	77,095	78,640	80,185
89-92	13	65,718	2,042	1,497	67,215	68,712	70,209	71,706	73,203	74,700	76,197	77,694
85-88	12	63,677	1,978	1,450	65,127	66,578	68,028	69,478	70,929	72,379	73,830	75,280
81-84	11	61,698	1,917	1,405	63,104	64,509	65,915	67,320	68,725	70,131	71,536	72,942
77-80	10	59,782	1,857	1,362	61,143	62,505	63,867	65,229	66,590	67,952	69,314	70,676
73-76	9	57,924	1,800	1,319	59,244	60,563	61,883	63,202	64,522	65,841	67,161	68,480
69-72	8	56,125	1,744	1,278	57,403	58,682	59,960	61,239	62,517	63,796	65,074	66,353
65-68	7	54,381	1,689	1,239	55,620	56,859	58,097	59,336	60,575	61,814	63,052	64,291
61-64	6	52,692	1,637	1,200	53,892	55,092	56,293	57,493	58,693	59,893	61,094	62,294
57-60	5	51,055	1,586	1,163	52,218	53,381	54,544	55,707	56,870	58,033	59,196	60,359
53-56	4	49,469	1,537	1,127	50,596	51,722	52,849	53,976	55,103	56,230	57,357	58,483
49-52	3	47,932	1,489	1,092	49,024	50,116	51,207	52,299	53,391	54,483	55,575	56,667
45-48	2	46,443	1,443	1,058	47,501	48,559	49,617	50,674	51,732	52,790	53,848	54,906
Below 45	1	45,000		1,025	46,025	47,050	48,075	49,100	50,125	51,150	52,175	53,200



**GENERAL MANAGERS SALARY SCALE  
FOR MEGA LARGE ELECTRIC COOPERATIVE**

SCORE	RANK	BASE	INCREMENT BETWEEN RANKS	INCREMENT BETWEEN STEPS	S T E P S							
					1	2	3	4	5	6	7	8
97-100	15	80,000	2,641	1,837	81,837	83,673	85,510	87,347	89,184	91,020	92,857	94,694
93-96	14	77,359	2,554	1,776	79,135	80,911	82,687	84,463	86,239	88,015	89,791	91,567
89-92	13	74,805	2,470	1,717	76,522	78,240	79,957	81,675	83,392	85,110	86,827	88,544
85-88	12	72,335	2,388	1,661	73,996	75,657	77,317	78,978	80,639	82,300	83,960	85,621
81-84	11	69,947	2,309	1,606	71,553	73,159	74,765	76,371	77,977	79,583	81,189	82,794
77-80	10	67,638	2,233	1,553	69,191	70,744	72,297	73,849	75,402	76,955	78,508	80,061
73-76	9	65,405	2,159	1,502	66,906	68,408	69,910	71,411	72,913	74,415	75,916	77,418
69-72	8	63,246	2,088	1,452	64,698	66,150	67,602	69,054	70,506	71,958	73,410	74,862
65-68	7	61,158	2,019	1,404	62,562	63,966	65,370	66,774	68,178	69,582	70,986	72,390
61-64	6	59,138	1,952	1,358	60,496	61,854	63,212	64,569	65,927	67,285	68,643	70,001
57-60	5	57,186	1,888	1,313	58,499	59,812	61,125	62,438	63,751	65,064	66,377	67,689
53-56	4	55,298	1,826	1,270	56,568	57,837	59,107	60,376	61,646	62,916	64,185	65,455
49-52	3	53,472	1,765	1,228	54,700	55,928	57,155	58,383	59,611	60,838	62,066	63,294
45-48	2	51,707	1,707	1,187	52,894	54,081	55,268	56,456	57,643	58,830	60,017	61,204
Below 45	1	50,000		1,148	51,148	52,296	53,444	54,592	55,740	56,888	58,036	59,184