



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

November 19, 2008

**MEMORANDUM No. 2008-027**

**TO : ALL ELECTRIC COOPERATIVES**

**SUBJECT : Amendment to the Policy on Short Term Credit Facility (STCF)**

1. Pursuant to Sec. 58(b) of RA 9136 mandating NEA to develop and implement programs to strengthen the technical capability and financial viability of Electric Cooperatives, the NEA Board approved in Resolution No. 55 dated May 27, 2004, the Policy on Short Term Credit Facility (STCF) for the ECs Settlement of Power Accounts and its Implementing Guidelines.
2. Under the said policy, the Administrator is authorized to approve the individual credit facility of ECs not exceeding P30M, subject to confirmation by the NEA Board.
3. The ECs are requesting for a higher credit limit considering that power cost has significantly increased since the time the policy was approved in 2004. For some Mega-Large ECs, the computed maximum credit facility already ranges between P37M to P81M.
4. Accordingly, the NEA Board approved the amendment to the Policy on Short Term Credit Facility increasing the authority of the Administrator to approve credit facility of ECs from P30M to P50M, per Board Resolution No. 40 dated October 22, 2008.
5. For your information and guidance.

  
**EDITA S. BUENO**  
Administrator

NATIONAL ELECTRIFICATION  
ADMINISTRATION

IN PHILIPPINES, INC. - ITC: #0R013639



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