



Republic of the Philippines

National Electrification Administration

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CORPORATE BOARD SECRETARY
OF THE CORPORATE SECRETARY

28 December 2010

MEMORANDUM No. 2011-007

TO : ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT : ALTERNATIVE DISPUTE RESOLUTION (ADR)

U.P. Law Center,
Office of the National Administrative Register.
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I. RATIONALE

Republic Act No. 9285 known as the "Alternative Dispute Resolution Act of 2004" mandated the institutionalization of the use of an Alternative Dispute Resolution (ADR) System in the Philippines. Under this law, the State shall encourage and actively promote the use of ADR as an important means to achieve speedy and impartial justice and declog court dockets. As such, the State shall provide means for the use of ADR as an efficient tool and alternative procedure for the resolution of appropriate cases.

"Alternative Dispute Resolution System" means any process or procedure used to resolve a dispute or controversy other than by adjudication of a presiding judge of a court or an officer of a government agency in which a neutral third party participates to assist in the resolution of issues, which includes arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof.

Pursuant to this law, it is therefore imperative that NEA shall adopt ADR in the process of resolving complaints, conflicts or cases brought before it by or against EC Board of Directors, General Managers, officials and employees, member-consumers and other stakeholders.

Mediation shall be used, which is a process in which a mediator/s with the consent of the disputing parties, facilitates communication and negotiation, and assists the parties in reaching a voluntary agreement regarding a dispute.

II. OBJECTIVES:

- 1) To promote party autonomy or the freedom of the parties to make their own arrangements to resolve their disputes;
- 2) To ensure a speedy settlement of disputes;
- 3) To ensure minimal expense in the process of resolving disputes; and,
- 4) To avoid the escalation of conflicts thus further fall within legal jurisdiction.

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III. POLICY:

It shall be the policy of NEA to formally adopt and implement ADR in the resolution of disputes specifically on conflicts brought before it by the ECs and the stakeholders and pursuant to NEA's 'motu-proprio' powers under its Charter.

IV. SCOPE

All ECs are covered by this policy. Conflicts involving the Board of Directors, General Managers, employees and member-consumers shall be processed through ADR.

Further, under the 'motu-proprio' powers of NEA, ADR when applicable may be considered as one of the options for the settlement of disputes within the ECs.

The mediation proceedings shall be undertaken by ADR Specialists who have undergone the required training and have been accredited as such.

V. RESPONSIBILITY

The implementation of the ADR Policy shall be the responsibility of the Deputy Administrator for Electric Distribution Utilities Services (EDUS) to be supported by an organized ADR Secretariat.

VI. MECHANICS

- Reports/information gathered by NEA officials and employees about a brewing controversy involving EC officials and employees which affect operations shall be endorsed to the Office of the DA for EDUS;
- The DA-EDUS through the ADR Secretariat (with the ADR Specialists) shall validate such reports and shall determine whether mediation can be applied;
- After validation and determination of the applicability of mediation, arrangements shall be made for the mediation process (date, venue, etc.);
- Complaints against EC officials and employees received by NEA shall also be forwarded to the Office of the DA EDUS for possible mediation; and,
- In cases where mediation fails, same shall be endorsed to the ADCOM for appropriate action. In such cases, the ADCOM shall no longer be mandated to conduct mediation/conciliation proceedings.

VII. EFFECTIVITY

This policy shall take effect immediately.

Edita S. Bueno
EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION

IN REPLYING, PLS. CITE: #OR017966



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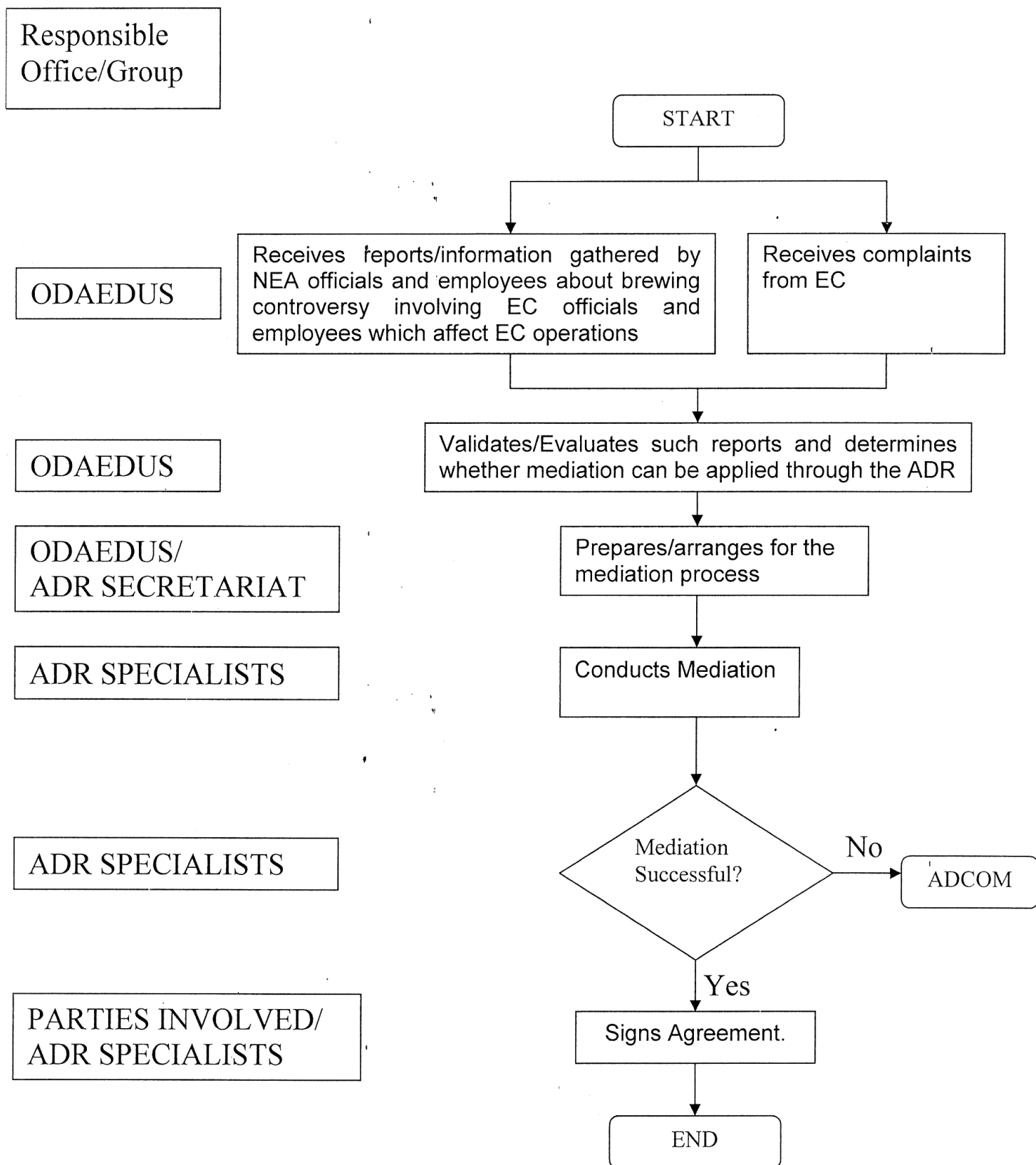
REPUBLIC OF THE PHILIPPINES
NATIONAL ELECTRIFICATION ADMINISTRATION
QUEZON CITY

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[Signature]
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OFFICE OF THE CORPORATE SECRETARY

ADR WORKFLOW



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