



May 11, 2015

**MEMORANDUM**

**TO :** ALL ELECTRIC COOPERATIVES (ECs)

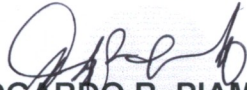
**Subject :** Sitio Electrification Program (SEP) and Barangay Line Enhancement Program (BLEP)

Item No. 3 of the Memorandum of Agreement (MOA) between NEA and the ECs on the subsidy funded projects stated that "Procurement of equipment and materials and/or engagement of contractor for the projects(s) shall be guided by RA 9184 and its Implementing Rules and Regulations and relevant NEA policies, rules and regulations."

We observed however, that some ECs adopt the NEA's issued Simplified Bidding Procedures in the procurement of labor and materials for SEP/BLEP projects. Since these projects are funded by subsidies from the national government and are subject to COA audit, ECs are reminded to follow the provision of the MOA.

For your strict compliance.

Thank you.

  
**EDGARDO R. PIAMONTE**  
Deputy Administrator for  
Electric Distribution Utilities Services