



NATIONAL ELECTRIFICATION ADMINISTRATION
"The 1st Performance Governance System-Institutionalized National Government Agency"
57 NIA Road, Government Center, Diliman, Quezon City 1100

February 11, 2015

MEMORANDUM No. 2015-001

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : ENHANCED INTEGRATED COMPUTERIZED PLANNING MODEL (eICPM)

In 2003, pursuant to its additional mandate under Section 58 (b) of R. A. 9138 to strengthen the technical capability and financial viability of the electric cooperatives (ECs), the National Electrification Administration (NEA) instituted certain reforms, which include the adoption by the ECs of the Integrated Computerized Planning Model (ICPM) in the preparation of their annual capital expenditures (CAPEX) projects and programs, structural and/or institutional development.

In 2010, the ICPM was further enhanced under the Electric Cooperative Distribution Utility Planning (EC-DUP) Manual, which was approved by the Energy Regulatory Commission (ERC) under Resolution No. 26-S-2009 entitled "Amending the Rules for the Approval of Regulated Entities' Capital Expenditures (CAPEX) Projects". The enhanced model is known as the enhanced Integrated Computerized Planning Model (eICPM), the literature of which is attached.

In essence, the eICPM provides the necessary guidance in determining the financial and technical requirements of a particular EC. Each component of the eICPM, including the annual work plan, undergoes a rigid scrutiny and involves rigorous and interactive deliberations by the Technical Working Group (TWG) created by NEA before the eICPM is approved by certain officers of the NEA. Each component of the eICPM is reviewed and updated periodically to keep pace with the various requirements of the ECs.

In 2013, in order to further enhance the efficacy of the eICPM, the TWG recommended the adoption of the Biennial Work Plan, as a key component of the eICPM. Although the eICPM is broader in scope, it constitutes as an essential reference to the CAPEX Plan Application being filed by the ECs with the ERC.

In view of the foregoing premises and in line with the powers and functions of NEA under Section 5 of R.A. 10531, it shall be mandatory for all ECs to submit their respective eICPM within sixty (60) days after the conduct of the eICPM workshop to NEA, through the Corporate Planning Office, for evaluation, review and approval. The compliance on the submission of the eICPM shall be considered in determining the overall performance of the ECs for purposes of granting awards and incentives.

Please be guided accordingly.


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Administrator



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