

20 April 1992

MEMORANDUM

TO : ALL RURAL ELECTRIFICATION COOPERATIVES AND REGIONAL ELECTRIFICATION CENTERS

SUBJECT : ROLE OF MEMBER-CONSUMERS ELECTRIFICATION COMMITTEE (MCEC)

As a channel for a wider and more supportive participation in the implementation of coop programs and in line with NEA's current program thrusts spelled in terms of technical rehabilitation, financial worthiness and institutional strengthening, innovations on District Electrification Committee (DEC)/Municipal Electrification Committee (MEC) organizational approaches such as concept modification (conversion into Member-Consumer Electrification Committee) and grass-root level sectoralization (evoking GOs and NGOs participative reactions at actual assemblies), qualify the MCEC as one effective tool for RECs institutional revitalization.

To be an effective institutional complement, therefore, MCEC organization is strongly encouraged. All the necessary assistance/support from the cooperatives' Board and management shall be extended to MCEC activities in order that the ultimate objective of the program which is participatory consumership towards a viable REC may be attained.

In order to realize this objective, the REC shall include this activity in their annual work program and budgetary requirements.

The Member Services Department (MSD) or Institutional Services Department (ISD) of the REC shall be charged with the organizational, administrative, coordinative, developmental and monitoring aspects in the implementation of the MCEC program, in direct coordination with the Coop Operations Department (COD) of the NEA and the concerned RE Center.

Attached are the implementing guidelines for the MCEC Program.

This Memorandum takes effect immediately and supersedes NEA Memorandum Nos. 23 and 36 dated 4 June 1981 and 16 May 1988, respectively.

For your guidance and compliance.


(Sgd) Rodrigo E. Cabrera
Administrator

IMPLEMENTING GUIDELINES ON THE ORGANIZATION OF MEMBER-CONSUMERS ELECTRIFICATION COMMITTEES (MCECs)

I. Rationale/Objective

The strength of an electric cooperative lies in the member-consumers who have a vital role to play in the course of its operations. As a revenue-source and end-user of electricity, member-consumers are essentially the heart of the cooperative. Thus, a channel for wider and more supportive participation in the implementation of co-op programs is necessary to achieve stability and the much-desired level of viability.

A Member-Consumers Electrification Committee (MCEC) shall be organized in every district, consisting of nine sectoral representatives who shall serve as effective complements in the institutional strengthening of the cooperative. Each committee shall aim to evoke positive participative reactions directly from member-consumers on various concerns involving the different facets of REC operations in close coordination with the Member Services or Institutional Services Departments and with the full support of the respective Board Director representing the district.

II. Scheme of Organization/Reactivation of MCECs/DECs/MECs

1. Coops with existing DECs/MCECs will maintain the same composition unless a need to reorganize is deemed imperative, in which case, the Committee shall be reconstituted using the MCEC scheme.
2. Coops without DECs/MECs will organize the MCECs using the attached guidelines.
3. The MCEC shall be composed of representatives of the following sectors:
 - a. Agro-fishery - Official or member of any agriculture/fishing aggrupation
 - b. Barangay Council - Barangay Captain and/or council member
 - c. Business - Acknowledged businessman
 - d. Civic - Officer or member of existing civic organization/association
 - e. Education - School official, Teacher/Educator
 - f. Gov't. Employee - Any gov't. employee
 - g. Media - Accredited member of local media or any media practitioner
 - h. Religious - Officer or member of religious organization (sectarian/non-

sectarian), lay leader

- i. Youth - Officer or member of existing youth organization

III. Qualifications of MCEC Members

1. Filipino citizen
2. Bonafide member of the EC, except for representative of the youth sector who may not be a member himself but a child of a member-consumer and is not more than 21 years old.
3. Resident of the district to be represented for at least six (6) months immediately prior to the organization of the MCEC.
4. Member of good standing, with no record of pilferage, arrearages.
5. Not an official/employee of the cooperative, nor his/her spouse.
6. Not holding an elective office in the government above the level of a Barangay Captain, nor his/her spouse.
7. Not in any way employed by or financially interested in a competing enterprise or a business selling electric energy/supplies to the co-op, or a business primarily engaged in selling electrical or plumbing appliances, fixtures/supplies to the members of the co-op, or engaged in a business renting/using co-op's facilities such as electric poles, etc.
8. Is not convicted of a crime involving moral turpitude.
9. Has not been terminated from public or private employment for cause.
10. No person shall qualify or remain member of the MCEC if he/she no longer possesses all the qualifications/eligibilities prescribed above.

IV. Procedure/Mechanics of Selection

1. All members representing the nine (9) sectors of the community shall be invited for membership in MCECs through print and/or broadcast media.
2. Interested parties shall notify REC within the prescribed period for inclusion of their desire to be a candidate as MCEC representatives of their district.

3. All sectoral nominees for MCEC shall be convened in an assembly meeting per district on a pre-scheduled basis. After a thorough briefing/discussion of the program, election shall be conducted through VIVA VOCE or Secret Balloting, adopting the accepted parliamentary procedures.
4. No candidate shall be voted upon in absentia.
5. Elected members of representative MCECs shall choose a Chairman, Vice Chairman and Secretary from among themselves through viva voce or secret balloting.
6. MCEC members and officers shall be confirmed by the NEA.

V. Meeting and Incentives of MCEC Members

The MCECs shall meet at least once every quarter and /or upon the call of the General Manager. The meeting date, venue and agenda shall be prepared by the MSD/ISD Manager and duly approved by the General Manager who shall sign the notice of such meeting to the MCEC members. The co-op shall provide incentives to MCEC members, the amount of which shall be based on the financial capability of the co-op, to be determined/recommended by the REC Board, subject to the approval of the RE Center concerned and confirmation by the NEA Deputy Administrator for Cooperatives Development and Special Projects.

VI. Term of Office

The term of office of the MCEC members shall be one year from the date of their oath-taking, unless revoked by NEA, directly or upon recommendation of the REC based on proven evidence of violations of the above prerequisites/qualifications.

In case of incapacity of any MCEC member to continue in his/her post due to death, resignation, sickness, physical disability or other similar causes, the remaining members of the MCEC shall recommend the successor.

In not less than fifteen (15) days prior to the expiration of the term of an MCEC member, selection of successor must be effected either through regular election or appointment by NEA from outgoing members if their records of performance would warrant such process.

VII. Training Program/Coordinating and Monitoring of MCEC Activities

Training programs for the MCEC members shall be implemented by the REC and/or NEA to ensure a complete understanding of their roles, duties and

responsibilities. Co-op local training programs in coordination with related agencies are also encouraged.

The REC management shall designate a particular unit/staff in the MSD or ISD to specifically monitor/coordinate subsequent activities of the MCECs. Said staff shall arrange/schedule MCEC meetings and consolidate reports/recommendations for submission to the REC management, the RE Center and the NEA through the Co-op Operations Department for appropriate consideration.

VIII. Duties and Responsibilities

The MCECs shall be utilized as information channels in the dissemination of co-op programs and policies. They can also serve as effective catalysts in harnessing member-consumer efforts in support of activities contributory to improvement of co-op operations.

In line with the objective of institutionalizing the MCECs role, they shall submit quarterly reports, or as often as need arises, to the REC Board and Management, copy furnished NEA through Co-op Operations Department and the RE Center regarding problems in their respective communities directly confronting the co-op, together with specific recommendations/proposals.

They shall be concerned with, but not limited to the following related functions/developmental areas:

1. Rates Review/Endorsement of Rates Structuring
2. Campaign for Collection
3. Campaign for Non-Pilferage of Electricity
4. Policy Recommendation
5. Right-of-Way Acquisition
6. Membership Information and Education Program
7. Membership Meetings
8. Assistance in Organization and Implementation of BAPA Projects
9. Other Service-Oriented Activities

RATES REVIEW

- a. To get acquainted with the components of electric rates which could take care of operating expenses and allow margin for system's expansion and loan amortization.
- b. To get oriented with the proper formulation of electric rates through training programs of NEA.

- c. To undertake thorough review or a study on the existing electric rates of the cooperative and its applicability for the general good of the member-consumers and the viability of the cooperative
- d. To actively participate in coop hearings on electric rates.
- e. As a committee, to endorse appropriate action on proposed restructuring of rates to serve as basis for NEA action.

CAMPAIGN FOR COLLECTION

- a. To assist management in effectively carrying out campaigns for prompt payment of electric bills.
- b. In coordination with co-op management, to maintain a periodic data on the status of receivables in assigned areas of responsibility as reference for conducting campaign for increase in collection.

CAMPAIGN FOR NON-PILFERAGE OF ELECTRICITY

- a. To assist management in effectively carrying out campaigns for non-pilferage of electricity.
- b. To report to management actual cases of illegal use of electricity particularly from assigned areas of responsibility.
- c. In coordination with co-op management, to maintain a periodic data on the percentage of line losses in assigned areas of responsibility as reference for conducting campaigns for minimizing line losses.

POLICY RECOMMENDATION

- a. To serve as an advisory committee to the Board/Management in the formulation of co-op policies.
- b. To get concrete feedbacks from members and consumers regarding co-op policies, and present such to the board/management as basis in determining relevance and validity of adopted policies.

RIGHT-OF-WAY ACQUISITION

- a. To be oriented with the cooperative plans for backbone, and lateral line construction.
- b. To assist the cooperative in securing free right-of-way easements.

- c. To see to it that the cooperative properly undertakes clearance of right-of-way in order to maintain harmonious relationship between the cooperative and the affected member/consumers.

MEMBERSHIP INFORMATION AND EDUCATION PROGRAM

- a. To be actively involved in the publication and distribution of cooperative's newsletter.
- b. To coordinate with the MSD/ISD in designing and launching of membership seminars to properly educate co-op member/consumers.
- c. To participate in the cooperative's massive information drive, particularly through the use of media facilities.
- d. To disseminate information to all members and consumers regarding co-op policies and other service rules and regulations.
- e. To promote cooperative practices and principles.
- f. To assist in updating/streamlining of membership records.

MEMBERSHIP MEETINGS

- a. To assist the cooperative in the preparation of the conduct of district, annual and other general membership meetings.
- b. To campaign for higher percentage of attendance to cooperative's general membership assembly and other meetings.
- c. To educate members on the significance and implications of holding district, annual and other general membership meetings and how they could be conducted in the most meaningful, productive, orderly and peaceful manner.

ASSISTANCE IN ORGANIZATION AND IMPLEMENTATION OF BAPA PROJECTS

- a. To coordinate with barangay officials regarding organization of BAPA, assembly meeting dates and venues, information drives and setting up of community projects.
- b. To see to it that BAPA projects are properly implemented.

OTHER SERVICE-ORIENTED ACTIVITIES

- a. To act as channel of information between co-op management and the membership, particularly with reference to billing, collection, meter reading, meter inspection and calibration, service connection, housewiring installation and other service complaints affecting day-to-day service operations of the co-op.
- b. To assist the cooperative in the implementation of special projects.
- c. To submit nominees to a vacant position in the REC Board of Directors as provided for in the Election Code.