



2020 ANNUAL REPORT



“Embracing Change for the New Beginning”



2020 annual report

Report Contents

ABOUT THE COVER

NEA continues the rural electrification journey by embracing the changes of the times, living the New Normal life.

The difficulties encountered and successes achieved drive and inspire the men and women of the NEA together with the 121 Electric Cooperatives to work harder in fulfilling their social contract and give every Filipino a chance to live an enjoyable and comfortable life.



3	Letter to the President
4-5	Messages
6-7	The Agenda towards Sustainable Rural Development
8	The NEA Strategy Map
9	Corporate Performance Scorecard Accomplishment
10-11	Whistleblowing Program and Complaint Policy
12-13	The NEA Board of Administrators
14-15	The Administrator's Report
16-17	Independent Auditor's Report
18-19	Financial Statements
20-21	FINANCIAL MANAGEMENT
	* Finance Services
	* Accounts Management and Guarantee
22-25	INSTITUTIONAL STRENGTHENING
	* Management and Consultancy Assistance
	* EC Audit Services
	* EC Institutional Development Services
26-29	TECHNICAL SUPPORT
	* Engineering Operations
	* Disaster and Risk Reduction Management
	* Total Electrification and Renewable Energy Development
30	LEGAL ASSISTANCE
	* Legal Services
	* Administrative Committee
	* Internal Audit and Quality Standards Management
	* Regulatory Affairs
32	SUPPORT SERVICES
	* Corporate Planning
	* Corporate and EC Training
	* Information Technology and Communication
	* Human Resources and Administration
	* Performance Assessment and Special Studies
	* Corporate Communication
42	2020 EC Profile
46	Executive Committee/Assembly of Leaders
50	Our Partners



Republic of the Philippines
National Electrification Administration
Quezon City

January 2021

His Excellency Rodrigo Roa Duterte
President of the Republic of the Philippines
Malacañan Palace
Manila

Dear Mr. President:

I have the honor to submit the Annual Report of the National Electrification Administration for the Year 2020.

Very truly yours,

EDGARDO R. MASONGSONG
Administrator

Message from the President of the Philippines



MALACAÑAN PALACE
Manila



My warmest greetings to the **National Electrification Administration (NEA)** as it publishes its **2020 Annual Report**.

Since its creation in 1969, NEA has led the way in the full realization of our National Electrification Program. I laud your agency for ensuring the delivery of affordable and reliable power supply to our urban and rural areas throughout the country.

May your achievements in the past year inspire you to remain steadfast in pursuing development initiatives that uplift the lives of our people. I trust that you will continue to partner with key stakeholders in advancing the growth of our communities and industries through sustainable rural electrification.

Let us all work together to energize the entire nation and achieve further growth and inclusive progress.

Congratulations and I wish you all the best!


RODRIGO ROA DUTERTE

MANILA
February 2021



Republic of the Philippines
DEPARTMENT OF ENERGY
Taguig City, Metro Manila



On behalf of the Department of Energy (DOE), I extend my warmest greetings and congratulations to the management and staff of the National Electrification Administration (NEA) for the agency's solid accomplishment in 2020.

That the NEA was able to achieve these accomplishments amidst natural calamities and the COVID-19 pandemic made them all the more significant. I commend the organization and the employees for your strong support to the DOE as we ensure the unhampered delivery of basic energy services to our people, especially during this time of health and economic crisis.

I cannot over emphasize the need for the Energy family to be consumer-centric so we can help the government cushion the impact of the COVID-19 pandemic, while the nation jumpstarts the economy in the New Normal.

Despite the challenges brought about by the pandemic and the typhoons last year, I am very proud that the NEA continuously proved to be a reliable member of the Energy family. You have remained true to your mandate of lighting up our provincial towns and remote villages through the Total Electrification Program (TEP).

Your Pantawid Liwanag Program for the poor consumers affected by the extended lockdown due to the pandemic and the non-stop operation of Task Force Kapatid in times of disaster are proof of your determination to deliver unhampered energy services.

I admire the patience and enthusiasm of your people during power restoration activities in challenging and risky situations. Indeed, we are all united and driven by our common goals, professionalism, and motivation to render exemplary public service.

This year, I call on the NEA family to perform better as we continue to serve the country and the Filipino people. Rest assured that the DOE will always support your programs and projects that aim to uplift the lives of the marginalized segments in our society.

I wish to express my heartfelt thanks to the people of the NEA. Continue to set a good example of commitment and perseverance to help our nation rise again after the pandemic.

Once again, my congratulations to the NEA. I salute all of you for a job well done.

Maraming salamat po at Mabuhay!


ALFONSO G. CUSI
Secretary

THE AGENDA TOWARD SUSTAINABLE DEVELOPMENT

PRESIDENT DUTERTE ADMINISTRATION 5 - POINT ELECTRICITY AGENDA



- * Access to Electricity for All



- * Power Availability at all times



- * Power Reliability



- * System Efficiency



- * Cheap Electricity Rate



DEPARTMENT OF ENERGY's 9-Point Energy Agenda



- * Access to Basic Electricity for All Filipinos by 2022
- * Adopting a Technology Neutral Approach for an Optimal Energy Mix
- * Improving the Supply of Power that is Reliable, to Meet Demand Needs by 2040
- * Developing the LNG needs for the Future in Anticipation of the Malampaya Depletion
- * Facilitating the Completion of Transmission Projects by 2020
- * Pro-consumer Distribution Framework for Affordability, Choice and Transparency
- * Streamlining Domestic Policy to Cut Red Tape
- * DOE to deliver on PSALM Privatization
- * Promoting Efficient Use of Power Among Consumers through an IEC



VISION

A dynamic and responsive NEA that is a vanguard of sustainable rural development in partnership with globally - competitive Electric Cooperatives and empowered Electricity Consumers

MANDATED MISSION

- * To promote the sustainable development in the rural areas through rural electrification
- * To empower and strengthen the NEA to pursue the electrification program and bring electricity, through the Electric Cooperatives as its implementing arm, to the countryside even in missionary or economically unviable areas; and,
- * To empower and enable Electric Cooperatives to cope with the changes brought about by the restructuring of the electric power industry.

CREDO

Go where the darkness looms
Create the path of light
Walk with the rural folks
Install the lines of progress

Work with the electric cooperatives
Spin the engine of growth
Bring electricity to the industries,
communities and households

Protect the consumers' interest
Serve with your hearts
Share your talents
And make a difference

Live honestly
Work efficiently
Promote solidarity

SHARED VALUES

To live and be guided by:

Commitment
Friendliness and Participation
Leadership and Initiative
Integrity and Honesty
Generosity
Hardwork
Teamwork

CORE VALUES

Absolute honesty
Maximum efficiency
Total solidarity

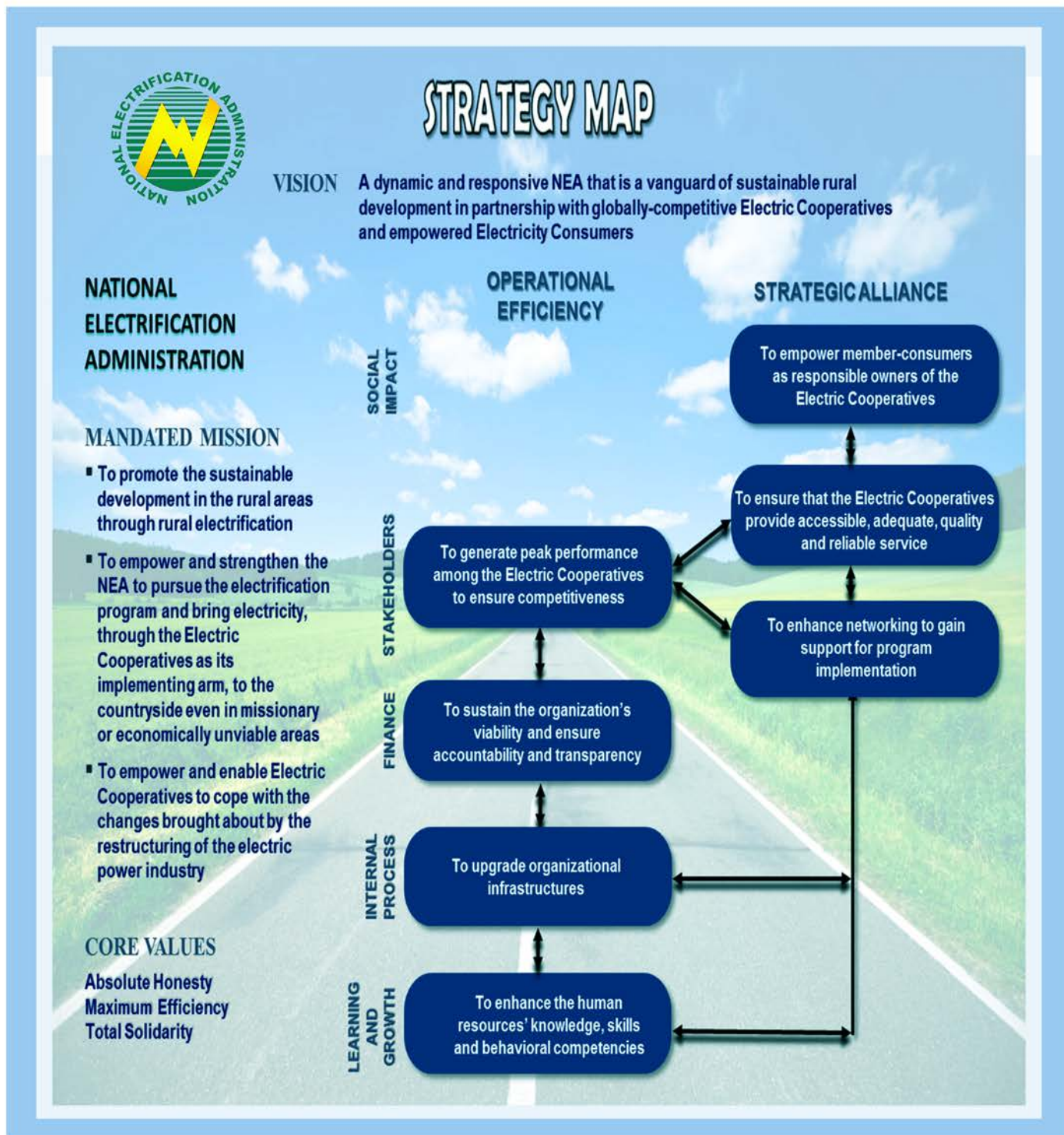
NEA 7-Point ELECTRIFICATION Agenda



As part of the Corporate Governance initiative of the Agency, the NEA Board of Administrators (BOA) undertakes the annual review of the Strategy Map including the Vision and Mission, as well as the corresponding strategies for its attainment.

For 2020, the BOA, in its August 27 meeting upheld the Strategy Map as it is still responsive to the needs of the Agency.

The BOA also monitored the implementation of the corporate strategy of the agency through the approval of the NEA's Performance Scorecard Accomplishment Report. With the outbreak of coronavirus disease 2019 (COVID-19) that had a deep impact on the attainment of the targets in NEA's 2020 Performance Scorecard, the agency requested for the recalibration of the GCG approved targets on September 28, 2020. In anticipation of the response of the GCG, the BOA approved the accomplishment of the agency which attained 74.13% of its target as contained in the GCG-approved 2020 Performance Scorecard, and 100% based on the proposed recalibration of targets submitted to GCG.



2020 Corporate Performance Scorecard Accomplishment

Perspective	Strategic Measure	Weight (%)	Original Annual Target	Actual	Weighted Rating (%)	Recalibrated Annual Target	Weighted Rating (%)								
Stakeholders	SM 1	Number of completed/energized silt projects	20%	964	994	12.32%	478	20.00%							
	SM 2	Number of consumers connected	15%	460,000	476,850*	15.00%	400,000	20.00%							
	SM 3	Number of EC officials and employees graduated from certification/competency programs	5%	2,200	1,453	3.30%	880	5.00%							
	SM 4	Percentage of ECs adopting the Balanced Scorecard Model	5%	99.17% (120 ECs)	-	-	For deletion	-							
	SM 5	Improve EC Overall Performance Rating from "B" and "C" to at least "A" Rating	5%	Improvement from baseline	-	-	For deletion	-							
	SM 6	Percentage of Satisfied Customers	5%	90%	100%	5.00%	90%	5.00%							
Financial	SM 7	Amount of loans facilitated (PHP B)	8%	0.245	0.312	8.00%	0.245	10.00%							
	SM 8	Percentage of ECs under Category B, C, and D provided with loans	0%	Report of Actual Accomplishments	37% (7 out of 19 ECs)	-	Report of Actual Accomplishments	-							
	SM 9	High collection efficiency maintained (%)	7%	96.78%	99.15%	7.00%	81.41%	10.00%							
	SM 10	Payment of NG Advances (PHP)	5%	PHP 81,159,290.00 (Principal)	PHP 81,159,290.00	4.68%	Subject to the revised payment scheme approved by DOF	5.00%							
				PHP 69,169,040.00 (Interest) *any change in interest will be adjusted at the end of the year	PHP 12,786,474.59**										
Internal Process	SM 11	Percentage of silt electrification projects funded that are fully compliant with NEA standards and specifications	6%	80% of projects done as of end Sept. 2020	35.03%	2.63%	10% of projects done as of end Sept. 2020	6.00%							
	SM 12	Percentage of silt projects completed and energized within 180 calendar days from release of funds to ECs	6%	80%	42.59%	3.19%	40%	6.00%							
	SM 13	Percentage of regular loans released within prescribed processing periods (24 days)	3%	100%	100%	3.00%	100%	3.00%							
Learning and Growth	SM 14	Compliance to Quality Standards	5%	Surveillance Audit Passed	Recertification Audit Passed	5.00%	Recertification Audit Passed	5.00%							
	SM 15	Percentage of employees with required competencies met	5%	Increase from 2019 Competency Level	<table border="1"> <tr> <th>Year</th> <th>Competency Level</th> </tr> <tr> <td>2019</td> <td>67.6%</td> </tr> <tr> <td>2020</td> <td>71.6%</td> </tr> <tr> <td>Increase/Decrease</td> <td>4.0%</td> </tr> </table>	Year	Competency Level	2019	67.6%	2020	71.6%	Increase/Decrease	4.0%	5.00%	Increase from 2019 Competency Level
Year	Competency Level														
2019	67.6%														
2020	71.6%														
Increase/Decrease	4.0%														
TOTAL			100%	Total Weighted Rating		74.13%		100.00%							

Statement Confirming Full Compliance with the Code of Corporate Governance

The NEA Board Governance Nomination and Remuneration Committee (BGNRC) reviewed the recommendations of Management prior to endorsement and approval by the NEA Board. All Resolutions and Actions taken by the NEA Board for Calendar Year 2020 are in full compliance with the Code of Corporate Governance.


AGUSTIN L. MADDATU
 Chairman, NEA BGNRC
 Member, NEA Board of Administrators

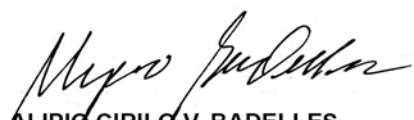
Statement Confirming Adequacy of Internal Control System

The Board Audit Committee (BAC) reviewed the findings, observations and recommendations of the Internal Audit Quality and Management Office on the operations of the NEA prior to endorsement and approval of the NEA Board. The Internal Control System of the NEA is adequate.


RENE M. GONZALES
 Chairman, NEA BAC
 Member, NEA Board of Administrators

Statement on Review of Financial, Operational, Compliance Controls and Risk Management System

The NEA Board Credit and Risk Management Committee (BCRMC) reviewed recommendations of Management for Calendar Year 2020 involving Financial, Operational, Compliance Controls and Risk Management prior to endorsement and approval by the NEA Board.


ALIPIO CIRILO V. BADELLES
 Chairman, NEA BCRMC
 Member, NEA Board of Administrators

WHISTLEBLOWING PROGRAM AND COMPLAINT POLICY

NEA's Whistleblowing Program and Complaint Policy was duly approved by the NEA Board of Administrators (NEA-BOA) through Board Resolution No. 57, series of 2017 date May 31, 2017 and correspondingly submitted to the Office of National Administrative Registry at the University of the Philippines Law Center on June 19, 2017 for filing, publication and recording.

A. INTRODUCTION

It is the State's policy that the governance of government-owned and controlled corporations (GOCCs) shall be carried out in a transparent, responsible and accountable manner with the utmost degree of professionalism and effectiveness. As a GOCC, integrity and accountability are necessary to maintain public trust and restore credibility in the public service. Whistleblowers are the primary vehicle through which misconduct is exposed and employees are therefore encouraged to come forward and voice their concerns about any aspect of this Office's work. However, witnesses to misconduct are oftentimes subject to retaliation for speaking out. This retaliation creates a chilling effect on the willingness of the employees to come forward and bring to light these misconducts.

The GCG has implemented Memorandum Circular No. 2016-02 entitled "Revised Whistleblowing Policy for the GOCC Sector". This guideline is therefore issued in order to implement the aforesaid memorandum on Whistleblowing Policy of the National Electrification Administration (NEA).

The purpose of this Whistleblowing Policy is to enable any concerned individual to report and provide information, anonymous if he/she wished and even testify on matters involving the actions or omissions of the employees, officers and members of the Board of Administrators of NEA and protect the identity of the whistleblower from retaliation for his/her actions.

B. DEFINITION OF TERMS

- **OFFICE** – refers to the National Electrification Administration (NEA).
- **EMPLOYEE** – refers to any individual who performs services for or under the control and direction of an employer for wages or other remuneration. For purposes of this Whistleblowing Policy, it shall also include rank-and-file, regular or contractual, job order or plantilla employees, supervisors, officers and members of the Board of Administrators.
- **RETALIATORY ACTION** – means the discharge, suspension, demotion, harassment, blacklisting or the refusal to hire an employee, or other adverse employment action taken against an employee in the terms and conditions of employment, or other actions which interfere with an employee's ability to engage in protected activities set forth under this policy.
- **WHISTLEBLOWING** – refers to the process whereby employees are encouraged to report suspected violations, complaints or concern involving financial disclosures, accounting, code of conduct and ethics or policies. Whistleblowing encourages employees to bring unethical or illegal practices to the forefront and addressing them before they become detrimental to the Office.

C. OBJECTIVES OF THE POLICY

A whistleblowing program is an important element of internal audit and control. Its main objectives are as follows:

1. To encourage employees to bring suspected malpractices, ethical and legal violations they are aware of to the attention of an internal authority.
2. To avoid exposing the office to risk or damage that may occur when employees violate a certain code of conduct. A strong whistleblowing program is one of the best means of reducing the impact of fraud and serious misconduct.
3. To help promote and develop a culture of openness, accountability and integrity within the office. The policy supports and assists personnel who have genuine concern to bring it to the attention of people within the office who can take appropriate actions.

D. SCOPE OF THE GUIDELINE

1. The guideline shall apply to all employees of NEA as defined.
2. The following concerns and issues shall encompass reporting by concerned employees:
 - a. Violations of the provisions of the following rules and regulations, to wit:
 - i. R. A. No. 6731, "Code of Conduct and Ethical Standards for Public Officials and Employees";
 - ii. R. A. 3019, "Anti-Graft and Corrupt Practices Act",
 - iii. R. A. 7080, as amended, "The Plunder Law";
 - iv. Book II, Title VII, Crimes Committed by Public Officers, The Revised Penal Code;
 - v. Executive Order No. 292 s. 1987, "Administrative Code of 1987";
 - vi. R. A. No. 10149, "The GOCC Governance Act of 2011";
 - vii. GCG MC No. 2012-05, "Fit and Proper Rule";
 - viii. GCG MC No. 2012-06, "Ownership and Operations Manual Governing the GOCC Sector";
 - ix. GCG MC NO. 2012-07, "Code of Corporate Governance for GOCCs"; and
 - x. Other Circulars and Orders and applicable laws and regulations.
 - b. Reportable Conditions as provided under GCG Memorandum Circular No. 2016-02, Revised Whistleblowing Policy for the GOCC Sector.

E. PROTECTED ACTIVITIES

No retaliatory action shall be made against an employee because he/she does any of the following:

1. Discloses, threatens to disclose, or is about to disclose to his/her immediate superior or through any means under this policy an activity, policy or practice of the officers, co-employee, or any of the members of the Board of Administrators, that the employee reasonably believes is in violation of a law, regulation or policy.
2. Provides information to, or testifies before any panel duly constituted under this policy or competent court of jurisdiction conducting an investigation, hearing or inquiry into any violation committed under the scope of this program or of any law, rule, regulation or policy.
3. Discloses, threatens to disclose or is about to disclose to a superior or through any means provided under this policy, or public officer a policy or practice of an officer, co-employee or any of the members of the Board of Administrators that the employee reasonably believes is incompatible with the mandate of this office.



F. POLICIES

1. A confidential reporting channel/mechanism shall be established wherein whistleblowers may convey or communicate their concerns and/or complaints.
2. All reports must state the specific conditions/s, action/s and/or omission/s being complained about, as well as the corresponding laws, rules or regulations allegedly violated. If possible, documentary and other evidence in support of the allegation must be submitted for evaluation.
3. All reports by whistleblowers shall be treated fairly, properly and confidentially to the greatest extent possible. As such, the process allows for anonymous reporting. The whistleblower who informs against any wrongdoing may choose to maintain his anonymity and provide a manner by which he/she can be contacted without jeopardizing his anonymity. If any employee is making an identity disclosure, said employee shall retain his/her anonymity unless he/she agrees otherwise.
4. The anonymity is limited and exclusive only to the whistleblower. All respondents or those complained of must be clearly identified by their full names and positions. Furthermore, the alleged violations, actions and/or omissions must be clearly identified, together with the law, rule and regulation allegedly violated.
5. In the event that the whistleblower withdraws or desist from providing additional information, the investigation shall continue provided that the evidence gathered is sufficient as determined by the whistleblowing committee.
6. In the event that the complained employee resigns prior to the final resolution of the case against him/her, the investigation shall still continue provided that the evidence gathered is sufficient as determined by the whistleblowing committee.
7. The filing of a case in a court of competent jurisdiction does not affect the conduct of the investigation to determine administrative liability, if any.
8. The whistleblowing program intends to provide warnings and promote ethical conduct in the office. In this manner, the whistleblower may raise matters of concern or issues that are within the scope of the program enumerated per letter D above.
9. The Office shall ensure that no employee shall be at risk of suffering some form of retribution as a result of reporting or raising a concern.
10. Employees shall be responsible to raise only genuine concerns, in good faith and without any ulterior motive. The process should not be used to support personal grievances about conditions of employment or disputes.
11. The Administrator may create and appoint a "Whistleblowing Committee" that would handle the overall responsibility for the implementation and maintenance of the program.

G. GCG WHISTLEBLOWING WEB PORTAL

The Governance Commission has established the website www.whistleblowing.gcg.gov.ph as its primary reporting channel for whistleblowers under GCG Memorandum Circular No. 2016-02, Revised Whistleblowing Policy for the GOCC Sector. This reporting channel is an online-based platform by which whistleblowers may securely submit reports electronically while at the same time ensuring their anonymity and the confidentiality of their reports. Whistleblowers are encouraged to utilize this online reporting channel.

H. CONFIDENTIALITY

Except when the whistleblower does not invoke anonymity and/or confidentiality when invoking the policy under this guideline, the office shall ensure confidentiality of all information arising from whistleblowing reports submitted. It shall treat all reports including the identity of the whistleblower and the person complained of in a confidential and sensitive manner. The identity of the whistleblower will be kept confidential, unless compelled by law or the Courts to be revealed, or unless the whistleblower authorized the release of his/her identity.

I. PROTECTION OF A WHISTLEBLOWER AGAINST RETALIATION

Retaliatory acts against whistleblowers who submit whistleblowing reports in good faith shall not be tolerated by this office which shall extend all possible assistance to the whistleblower under the law and given the circumstances. Such retaliatory acts may include:

- (a) Discrimination or harassment in the workplace;
- (b) Demotion;
- (c) Reduction in salary or benefits;
- (d) Termination of contract;
- (e) Evident bias in performance evaluation; or
- (f) Any acts or threats that adversely affect the rights and interests of the whistleblower.

J. UNTRUE ALLEGATIONS

If a whistleblower makes allegations that are determined to be fabricated or malicious falsehoods, and/or he/she persists in making them, legal action may be taken against him/her by the office.

K. EFFECTIVITY CLAUSE

This guideline shall take effect fifteen (15) days after the approval by the NEA Board of Administrators, and after submission of three (3) certified copies of the same to the office of the National Administrative Registry at the University of the Philippines Law Center.



EDGARDO R. MASONGSONG
Administrator

THE NEA BOARD OF ADMINISTRATORS



ALFONSO GABA CUSI
Chairman, NEA-BOA
Secretary, Department of Energy (DOE)

Age: 71

Date of First Appointment: July 1, 2016

Highest Educational Qualifications:
Doctorate in Business, Honoris Causa
Polytechnic University of the Philippines

Master in Business Administration
University of the Philippines, Cebu

BS in Business Administration
La Salle College, Bacolod

Relevant Experiences prior to appointment:

- General Manager Philippine Ports Authority (PPA)
- General Manager, Manila Int'l. Airport Authority (MIAA)
- Director General, Civil Aviation Authority of the Philippines (CAAP)



EMMANUEL PACURSA JUANEZA
Undersecretary, DOE
Alternate Chair, NEA-BOA
(November 25, 2019-present)

Age: 70

Date of First Appointment: November 25, 2019

Highest Educational Qualifications:
RA 1080 - Professional Mechanical Engineer
Registered Mechanical Engineer
BS in Mechanical Engineering
Western Institute of Technology, Iloilo City

Technical Vocational-Machine Shop Practice
Iloilo School of Arts and Trades, Iloilo City

Relevant Experiences prior to appointment:

- Undersecretary, DOE
- Board Member, Technical Education and Skills Training (TESDA)
- Member, NAPOCOR Tongonan I Power Plant Audit Team for the DOE

Continuing Training Program:

- Project Management Fundamental, Abu Dhabi, U.A.E., 2010
- General Electric Project Control Manager Training, Atlanta, USA, 2006
- General Electric Contract Manager Training, Atlanta, USA, 2005
- ISO 9001 Auditor Training, Dubai, 2003
- OXBOW Power Management Training, Nevada, USA, 1998
- Outstanding Performance Award, Royal Commission, KSA, 1996
- Merit Certificate Award GE/MEELSA, KSA, 1991



AGUSTIN LAYOSO MADDATU
Member, NEA-BOA (2016-present)

Age: 71

**Date of First Appointment/
Sworn to Office: November 18, 2016**

Highest Educational Qualifications:
BS in Commerce, Major in Business Administration
University of the East, Manila

Relevant Experiences prior to appointment:

- Deputy Administrator for Administration, NEA
- Rural Electrification Director, NEA
- Acting General Manager, various ECs
- Chief of Research Division, NEA
- Financial Analyst, NEA

Continuing Education Program:

- **ICD Webinar: Future-Ready Boards, A Deep Dive, May 28, 2020**
- Advanced Corporate Governance Training (ACGT) November 18-19 2019, Sulo Hotel, Quezon City
- Corporate Governance: Board Effectiveness Best Practices November 9, 2018, Manila Marriot Hotel, Pasay City
- Introduction to Finance for Directors, August 24, 2017, Discovery Primea, Makati City
- Best Practices in Parliamentary Procedures for Public Officials May 26, 2017, Manila Marriott Hotel, Pasay City
- Professional Directors Program March 1, 8, 9, 15, 16, 2017, Discovery Primea/ Dusit Thani Hotel, Makati City

NOTABLE ACCOMPLISHMENTS OF THE BOARD

The NEA Board of Administrators is composed of five members, including the NEA Administrator, and headed by the Secretary of the Department of Energy (DOE) as Chairman and Undersecretary Emmanuel P. Juaneza as the Alternate Chair.

For the year 2020, a total of twenty four Board Meetings (11 regular, 9 quasi-judicial matters, and four special meetings) were conducted by the NEA Board of Administrators, approving a total of 134 resolutions to respond to the requirements of NEA, the ECs and the Rural Electrification Program as a whole.

On the other hand, the NEA Board Committees each accomplished the following:

1. The Board Governance, Nomination and Remuneration Committee (BGNRC) chaired by Board Member Agustin L. Maddatu held a total of 10 meetings and was able to approve 50 Resolutions.



RENE MIJARES GONZALES

Member, NEA-BOA (2017-present)

Age: 65

**Date of First Appointment/
Sworn to office: May 10, 2017**

Highest Educational Qualifications:
BS in Military Education and Training
Philippine Military Academy, Baguio City

Relevant Experiences prior to appointment

- Executive Director
CIRCA Security and Investigation, Inc.
- Division Chief, Intelligence
Civil Aviation Authority of the Philippines
- Department Manager, Intelligence and
Investigation ID and Pass Control
Manila International Airport Authority

Continuing Education Program:

- **ICD Webinar: Future-Ready Boards, A Deep Dive, May 28, 2020**
- Advanced Corporate Governance Training (ACGT) November 18-19 2019, Sulo Hotel, Quezon City
- Corporate Governance: Board Effectiveness Best Practices November 9, 2018, Manila Marriot Hotel, Pasay City
- Introduction to Finance for Directors August 24, 2017, Discovery Primea, Makati City
- Best Practices in Parliamentary Procedures for Public Officials May 26, 2017, Manila Marriott Hotel, Pasay City

2. The Board Credit and Risk Management Committee (BCRMC) chaired by Board Member Alipio Cirilo V. Badelles held a total of nine meetings and was able to approve 31 Resolutions.
3. The Board Audit Committee (BAC) chaired by Board Member Rene M. Gonzales held a total of five meetings and was able to approve 13 Resolutions.

The NEA Board of Administrators was able to conduct a series of meeting with the Congress Power Bloc, LGUs and other government agencies regarding the status of the Ailing Electric Cooperatives.



ALIPIO CIRILO VILLACORTA BADELLES

Member, NEA-BOA (2017-present)

Age: 71

**Date of First Appointment/
Sworn to office: September 28, 2017**

Highest Educational Qualifications:
Bachelor of Commerce, San Beda College,
Manila

Bachelor of Laws, San Beda College, Manila

Relevant Experiences prior to appointment:

- Co-chairman, House Joint Congressional Power Commission (JCPC)
- Chairman, Committee on Energy, 12th and 13th Congress
- Chairman, Committee on Ethics 11th Congress
- Founder, Badelles Law Office
- President, Integrated Bar of the Philippines (IBP), Lanao del Norte Chapter
- Governor, IBP Northern Mindanao

**Continuing Education Program: **

- **ICD Webinar: Future-Ready Boards, A Deep Dive, May 28, 2020**
- Corporate Governance: Board Effectiveness Best Practices November 8, 2019, Marriot Grand Ballrom, Pasay City
- Advanced Corporate Governance Training (ACGT) November 18-19 2019, Sulo Hotel, Quezon City



EDGARDO RAMA MASONGSONG

Member, NEA-BOA (2016-present)

Administrator, NEA (2016-present)

Age: 62

**Date of First Appointment/
Sworn to Office: November 18, 2016**

Highest Educational Qualifications:
AB Major in Philosophy,
Notre Dame University, Cotabato City

Theological Studies,
St. Francis Xavier Regional Major Seminary (SFX-REMASE), Davao City

Relevant Experiences prior to appointment:

- Representative, I-CARE Party-list , 16th Congress
- General Manager, Bukidnon Second Electric Cooperative, Inc. (BUSECO)
- Asst. City Administrator, Cebu City Government
- Branch Manager, Region 7 Visayas Cooperative Development Center (VICTO)
- Organizer of various sectors in Mindanao and worked closely with the Consortium for Rural and Urban Service Projects and the Parishes in Davao City and Cotabato Provinces.

Continuing Training Program:

- **ICD Webinar: Future-Ready Boards, A Deep Dive, May 28, 2020**
- Corporate Governance: Board Effectiveness Best Practices November 8, 2019, Marriot Grand Ballrom, Pasay City
- Advanced Corporate Governance Training (ACGT) November 18-19 2019, Sulo Hotel, Quezon City
- 2018 National Rural Electric Cooperative Association (NRECA) Annual Meeting, February 24-March 2, 2018, Nashville, Tennessee, U.S.A.
- Asia Clean Energy Forum June 5-8, 2017 ADB Headquarters, Mandaluyong City
- Professional Directors Program March 1, 8- 9, 15-16, 2017, Discovery Primea/ Dusit Thani Hotel, Makati City

The Administrator's Report

As the National Electrification Administration (NEA) endeavors to fulfill its mission of being a catalyst of progress in the countryside for more than fifty years now, it continuously implements various initiatives to light up rural areas even the remotest of villages in the country and serve the best interest of the member-consumer-owners (MCOs). Through the able partnership with the Electric Cooperatives (ECs), the agency has been able to accomplish the following:

I. Rural Electrification Program (REP)

At the end of the third quarter of 2020, NEA passed the 14 million mark in consumer connections after electrifying over 365,856 new consumers. Data show the overall consumer connections have reached 14,008,603 within the coverage areas of the ECs.

For 2020, 594 sitios were completed/energized, compared to its 2020 target of 964 sitios. This contributed to the connection of 522,905 additional consumers which is in line with the President's directive to provide electricity access for all. This brought the data on the electrification status of the franchise areas of the ECs to 78 provinces, 90 cities, 1,387 municipalities, 36,080 barangays, 125,123 sitios and 14.253 million connections have been provided with electricity,

II. Provision of Loan Facilities to ECs

A total of PhP439.983 million worth of loans, including calamity loans, has been extended to 20 ECs. NEA exceeded its full-year loan availability target of PhP245 million by the ECs. The agency released a total of PhP239.50 million to finance capital expenditure projects to 11 ECs; PhP38.762 million for modular generator set to MORESCO I; PhP33.641 working capital to OMECO; and PhP128.080 million to 13 ECs for the repair and rehabilitation of damaged distribution facilities caused by Typhoons Rolly, Quinta, Tisoy and Ursula.

For the year, NEA posted a total collection of PhP1.820 billion against amortizations due of PhP1.835 billion equivalent to 99.15% collection efficiency.

III. Payment of National Government (NG) Advances

While NEA was able to fully settle its foreign loan obligations on April 11, 2017, it has payables from the National Government (NG), particularly the Bureau of the Treasury (BTr), for the advances made by BTr in the payment of the agency's foreign loan amortization.

The total advances to NEA amounting to PhP18.487 billion was requested for conversion into subsidy. Accordingly, the DOF considered the conversion of PhP14.915 billion into subsidy, leaving a balance of PhP3.571 billion, payable in four years starting 2018 up to 2021. NEA was able to pay a total of PhP2.760 billion from its first installment on July 31, 2018 to December 28, 2020.

IV. Capacity Building Program for EC Personnel

In line with the policy of the state as enunciated in Section 2 (c) of RA 10531 to empower and enable the ECs to cope with the changes brought about by the restructuring of the power industry, the NEA conducted various competency seminars and training programs for the personnel of the ECs attended by 1,453 participants.

Despite the outbreak of the corona virus disease (Covid-19) and the issuance of restrictions on mass gatherings, the NEA was able to conduct these competency programs which were essentially designed to enhance the core values and financial, institutional and technical (FIT) skills of the ECs' personnel to bring about marked improvement in the ECs' operational efficiency and financial viability.

V. Corporate Governance

A. ISO 9001:2015 Certification

Anchored on its Good Governance Agenda, the agency was able to maintain the existing ISO 9001:2015 certification with the conduct of Re-certification Audit by TÜV Rheinland Philippines, Inc. on December 11, 2020 covering the scope "Provision of Financial, Institutional, Technical and Legal Assistance to the Electric Cooperatives (ECs) which in turn undertake power distribution on an area coverage basis."

B. Customer Satisfaction Survey

NEA continuously espouses good corporate governance in order to provide better service to the ECs. This was clearly manifested in the report submitted by Market Relevance Corp. (MRC), the third-party service provider for the conduct of the EC Customer Satisfaction Survey (CSS). The overall satisfaction rating garnered by NEA is at 100% which translates to "Very Satisfied."

The CSS covered nine items namely: Staff and Organization, Regulatory: Policies, Regulatory: Application, Financing Services, Technical Assistance, Information and Communication (Website), Complaints Handling, Records Keeping, Facilities. Overall, NEA's offices/departments were rated by the respondents with the average levels of satisfaction ranging from "Satisfied" to "Very Satisfied."

VI. 'Pantawid Liwanag' Program

The NEA, in partnership with Philippine Rural Electric Cooperatives Association,

Inc. (PHILRECA) and the ECs, implemented the Pantawid Liwanag Program. The program is a corporate social responsibility of the rural electrification sector aimed at working with the government in curbing the adverse impact of Covid-19 pandemic on the poorest of the poor.

It seeks to aid the member-consumer-owners (MCOs) of ECs who are categorized as "lifeline consumers". They are those who live below the poverty line and used electricity not exceeding 50 kWh based on their power bills during the enhanced community quarantine (ECQ) period. A partial estimate of PhP365 million has been allocated by ECs to support this program which an estimate of three million consumers benefitted from the program.

VII. Proactive initiatives to support Bayanihan to Heal As One / Bayanihan to Recover as One Acts

A. Remittance of PhP1.26 billion unutilized subsidy funds

Pursuant to Section 4y of RA 11469: Allocate cash, funds, investments, including unutilized or unreleased subsidies and transfers, held by any national government agency to address the Covid-19 emergency, NEA was able to remit unutilized subsidy balances in the amount of PhP1.261 billion to the Bureau of Treasury (BTr) on April 6, 2020. The amount was intended to support the efforts of the National Government (NG) to facilitate the delivery of much needed assistance for many industries and livelihoods that were severely disrupted by the public health emergency.

B. Extension of Statutory Deadlines and Timelines

The law requires that statutory deadlines and timelines for the filing and submission of any document, the payment of taxes, fees and other charges required by law, and the grant of any benefit, be moved in order to ease the burden on individuals under Community Quarantine.

With this, Memo Nos. 2020-011; 2020-018 and 2020-027 were issued urging distribution utilities, including the 121 ECs nationwide, to give their consumers a grace period in settling their electricity bills falling due during the original and extended ECQ periods without interest, penalties, fees and charges. For this purpose, the accumulated electricity bills falling due during the ECQ shall be amortized in four equal installments, payable in the first four months following the end of the ECQ.

Also, NEA issued an advisory dated March 17, 2020, giving all ECs and litigants a 30-day extension to file their petitions and appeals, complaints, motions, pleadings and other submissions to the Administrative Committee due from March 15 to April 15, 2020.

Memo Nos. 2020-047 and 2020-052 were also issued on September 29, 2020 and October 30, 2020 respectively. These memoranda directed all ECs to abide by the DOE Advisory on providing grace period to all power sector bills falling due during the period of Community Quarantine issued on September 23, 2020 and the ERC Advisory directing DUs/ECs not to implement any disconnection on account of non-payment of bills until December 31, 2020 for consumers with monthly consumption not higher than twice the ERC-approved maximum lifeline consumption level.

C. Discontinuance of Appropriated Programs, Activities or Projects

Section 4 (v) of RA 11469 authorizes the President to "direct the discontinuance of appropriated programs, activities or projects of any agency in the Executive Department, including government-owned and controlled corporations, under the 2019 and 2020 General Appropriations Act, whether released or unreleased, the allotments for which remain unobligated."

NEA implemented the discontinuance of PhP306-million worth of rural electrification programs for 2020 to augment the funding for the government's response to Covid-19 pandemic. This amount came from the PhP250-million appropriated for the implementation of the Electric Cooperatives Emergency and Resiliency Fund (ECERF) Act, the PhP45 million for the establishment of Customer Management and Quick Response System for selected ECs, and the 10% of Electrification of LGUs/NGOs resettlement projects amounting to PhP11M.

D. Covid-19 Response Protocol and Minimum Health Standards

The Agency issued Memo No. 2020-023 adopting the Department of Energy (DOE) Administrative Order (AO) No. AO2020-04-0007 and AO2020-05-0001 providing for a minimum health standard for Covid-19 Mitigation and Covid-19 Response Protocol in the Energy Sector.

It also issued Memo No. 2020-032 requiring all ECs to incorporate the

requirements of the Covid-19 Response Protocol in their Enhanced Business Continuity Plan and/or EC Risk Management and Sustainability Plan (EcRM-SP)

VIII. Models in Renewable Energy Development

In the efforts to combat the increasing threats of climate change, step up NEA's commitment to improve access to clean and affordable energy, and accommodate the growing electricity demand of the island provinces, the agency, through the ECs, continued to embrace renewable energy sources to electrify households especially in the far-flung and off-grid areas.

In anticipation of higher electricity demand during the dry season, the Romblon Electric Cooperative, Inc. (ROMELCO) installed a 200-kilowatt (kW) disaster-ready solar photovoltaic system distributed in various villages under its franchise area. Built at a cost of Php12-million, the distributed solar power plants are composed of 528 high-efficiency solar panels installed on the rooftops of the four covered courts in Barangays Lunas, Macalas, Mapula, and Ilauran. Each distributed solar power plant has a capacity of 50 kW, or a total installed capacity of 200 kW, which already generates electricity for the consumers.

Feasibility studies on the development of hybrid mini-grid system using renewable energy and battery system for four ECs and hybridization of existing diesel power plants with renewable energy and battery system for three ECs in Eastern Visayas are currently underway subsidized by NEA and, funded through subsidy from the National Economic and Development Authority (NEDA), respectively.

IX. Mobilization of Task Forces

For 2020, six Task Forces were mobilized to help ECs affected by natural calamities and other man-made disasters in the speedy rehabilitation of distribution lines and facilities and in the immediate restoration of power.

A. Task Force Kapatid "Tisoy"

On December 2, 2019, Typhoon Tisoy (international name Kammuri) made its landfall in Gubat, Sorsogon and caused damages to the ECs' power distribution lines and infrastructures that amounted to approximately Php1.491 billion. A special unit of line workers was strategically organized to quicken the pace of power restoration activities in the aftermath of disasters was deployed to MIMAROPA and Bicol, two of the hardest-hit regions. Some 26 ECs from Ilocos, Cagayan Valley, Central Luzon and the Cordillera Administrative Region sent 159 line workers and support personnel with boom trucks and equipment responded to the call and extended assistance. Eastern Visayas ECs also sent crews to Northern Samar.

B. Task Force Kapatid "Ursula"

On December 26, 2019, efforts to restore power caused by Typhoon "Ursula" commenced in 16 provinces in MIMAROPA, Central Visayas, Eastern Visayas, and Western Visayas that were heavily damaged with a total cost estimate of Php579.464 million. Line workers who helped in the effort to restore power were from CEBECO I, II and III, BOHECO I, BOHECO II, and NORECO II.

C. Power Restoration Rapid Deployment (PRRD) Task Force Kapatid "Ambo"

Typhoon "Ambo", internationally named "Vongfong", entered the Philippine Area of Responsibility (PAR) on 10 May 2020. A total of 141,450 families were affected in 560 barangays in Regions I, II, III, VIII and CAR. The typhoon caused an estimate of Php189 million in damages to ECs operating in the provinces of Quezon, Marinduque, Sorsogon, Masbate, Western Samar, Eastern Samar, and Northern Samar. The PRRD Task Force Kapatid "Ambo" composed of 67 line workers and support personnel equipped with boom trucks and utility vehicles from nine participating power co-ops in Leyte, Southern Leyte, Samar and Biliran Island was dispatched in Eastern and Northern Samar provinces following the onslaught of the typhoon.

D. Task Force Kapatid "Quinta"

Typhoon "Quinta", international name: Molave, made its landfall in the Philippine Area of Responsibility (PAR) on October 25, 2020. Several provinces covered by at least 23 ECs operating in the provinces of Cagayan, Laguna, Batangas, Quezon, Marinduque, Occidental Mindoro, Oriental Mindoro, Romblon, Palawan, Camarines Sur, Masbate, Sorsogon, Albay, Catanduanes and Aklan were affected by the onslaught of the typhoon. Teams from other ECs were dispatched to assess the damage caused by the typhoon to the distribution facilities and to restore power as quickly and safely as possible. Reports showed that these ECs have experienced varying degrees of power interruptions in their respective coverage areas. The estimated cost of damage incurred by the ECs has reached Php50.922 million.

E. PRRD Task Force Kapatid "Rolly"

PRRD Task Force Kapatid "Rolly" composed of 56 teams from 47 ECs operating in Regions I, II, III, IV-A, IV-B, VI, VIII and Cordillera Administrative Region (CAR) were deployed with 330 line workers and support personnel equipped with their

own boom trucks, utility vehicles and other equipment needed. The team was sent in Catanduanes, Camarines Sur, Albay, Marinduque, Oriental Mindoro and Occidental Mindoro after Typhoon "Rolly" brought havoc on November 1, 2020 causing power interruptions in several provinces, mostly in the Bicol Region, due to its devastating effects. The estimated cost of damage to power distribution facilities of the ECs has reached Php370 million.

F. Task Force Kapatid "Ulysses"

On 08 November 2020, Typhoon "Ulysses" entered the Philippine Area of Responsibility (PAR) affecting a total of 1,245,841 families or 7,236 barangays in Regions NCR, I, II, III, CALABARZON, MIMAROPA, V and CAR which are under the coverage area of 43 ECs. Volunteers which form part of the 'Power Restoration Rapid Deployment' (PRRD) Task Force Kapatid composed of over 300 line workers and support personnel from 43 ECs in Luzon and Visayas were dispatched to assist in the restoration of electricity in Catanduanes. The estimated cost of damage to power distribution facilities of the affected ECs has reached P164.655 million.

X. Awards and Recognitions Received

For 2020, NEA has been cited for its continued support to government programs such as the implementation of the Freedom of Information (FOI) Program and the Government Energy Management Program (GEMP).

On November 25, 2020, the agency was recognized as Second Runner FOI Champion during the 2020 FOI Awards. Likewise, NEA received virtually the Energy Efficiency Awards on December 7, 2020 by being the recipient of the Energy Efficiency and Conservation (EE&C) award. The award was given with NEA having managed to save at least 10% on electricity and fuel consumption by adopting and implementing EE&C policies.

Meanwhile, the NEA was commended by the Office of the President for acting promptly on the citizens' concerns and complaints lodged through the government's 8888 Citizens' Complaint Center (CCC). The CCC recognized the agency's efforts in ensuring that the citizens' concerns and complaints are acted upon in a timely manner.

In 2020, a total of 500 citizens' complaints were referred by 8888 to the NEA. Of the number, 498 tickets or 99.6 percent were acted upon, while 2 tickets or 0.4 percent were under processing and awaiting feedback. With regard to the compliance rate, the NEA attained 93 percent.

XI. EC Overall Performance Assessment

The NEA evaluates and determines the overall performance ratings of all ECs annually. For this year, the Agency used the enhanced criteria using the two criteria - KPS (80%) and EC Classification (20%).

The 2019 EC Overall Performance Assessment showed a slight decrease in the number of power distribution utilities that were fully compliant with the key performance standards (KPS). Results showed that 85 ECs were rated AAA compared to last year's result of 87 ECs. Of these, 30 ECs received an overall score of 100, which is higher than the 26 ECs that garnered 100 points from the previous assessment.


The AAA rating is the highest score given by the NEA to ECs that indicates the power distributors' full compliance on five parameters, namely financial, institutional and governance, technical, level of energization and reportorial requirements. The D rating is the lowest.

XII. Approved Policies/Guidelines

Based on the provisions under Section 5 of RA 10531 and Section 5 of the IRR, the NEA formulated several policies and guidelines geared towards the fulfilment of NEA's mandate and to provide assistance and guidance to the ECs in the performance of their franchise obligations as distribution utilities.

Among them are the 1). Adoption of the Code of Governance for Electric Cooperatives; 2) Clarificatory Guidelines on the Termination of the Multi-Sectoral Electrification Advisory Council (MSEAC) on Member-Consumer-Owners Program for Empowerment (MCOPE); 3) Deferment of Annual General Membership Assembly (AGMA), District Election and other Activities; 4) ECs Short Term Loan Borrowing from Sources Other than NEA; 5) Compliance to Republic Act No. 11285 or the "Energy Efficiency and Conservation Act" and Its Implementing Rules and Regulations (IRR); and 6) Policy for the Classification of ECs and Guidelines for the Declaration and Graduation of Ailing ECs.

In the coming years, I am confident that with the cooperation and commitment of everyone, our goal of giving more Filipinos better chances to live a happier and contented life through the Rural Electrification Program will be realized.


EDGARDO R. MASONGSONG
Administrator



INDEPENDENT AUDITOR'S REPORT

Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS

National Electrification Administration
57 NEA Building, NIA Road, Government Center
Diliman, Quezon City

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of the **National Electrification Administration (NEA)**, which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of financial performance, statements of changes in net assets/equity and statements of cash flows for the years then ended, and statement of comparison of budget and actual amounts for the year ended December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the NEA as at December 31, 2020 and 2019, and its financial performance, and its cash flows for the years then ended in accordance with the International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

We conducted our audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the NEA in accordance with the Revised Code of Conduct and Ethical Standards for Commission on Audit Officials and Employees (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the NEA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the NEA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NEA's financial reporting process.

Auditor's Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NEA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NEA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the NEA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required in Revenue Regulations No. 15-2010 in Note 27 to the financial statements is presented for the purpose of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

COMMISSION ON AUDIT


EMMA A. DE GUZMAN
 OIC/Supervising Auditor

June 7, 2021



NATIONAL ELECTRIFICATION ADMINISTRATION
 NEA, ECs and MCOs: Partners in Rural Electrification and Development
 57 NIA Road, Government Center, Diliman, Quezon City 1100



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of the **NATIONAL ELECTRIFICATION ADMINISTRATION** is responsible for the presentation of the financial statements as at **December 31, 2020**, including the additional components attached thereto in accordance with the International Public Sector Accounting Standards (IPSAS). The responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material statement whether due to fraud or error, selecting, and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Administrators reviews and approves the financial statements before such statements are issued to the regulators, creditors and other users.

The Commission on Audit has audited the financial statements of NEA in accordance with the Philippine Public Sector Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such audit, in its report to the Board of Administrators.


EMMANUEL P. JUANEZA
 Alternate of the Chairman of the Board

June 2, 2021
 Date Signed


SONIA B. SAN DIEGO
 Deputy Administrator for Corporate Resources and I

June 2, 2021
 Date Signed


ATTY. MILDREDA DARWIN M. BAYOTAS
 Atty. in Charge
 Commission (Extended until June 30, 2021)
 Ac Per En Buro Civil No. 2788/Dec. 01, 2020
 Unit 204 Young Galaxy Century, 225 8th Avenue
 Alabata, Cebu, Cebu City
 PTR NO. 0569235/Cebu City/Jun.04, 2021
 IBP Lifetime No:013221/Padig City/Nov.07, 2013
 MCLE Compliance No.VI-0002300/Novy 29, 2017
 Attorney's Roll No.265804/2016-2017
 "Empowering the Communities, Enriching the Nation"


Edgardo R. Masongsong
 Administrator



National Electrification Administration
STATEMENT OF FINANCIAL POSITION

December 31, 2020
(In Philippine Peso)

	2020	2019
ASSETS		
Current Assets		
Cash and Cash Equivalents	3,861,882,692	4,790,716,693
Receivables	4,733,946,330	4,271,462,623
Inventories	1,811,261	2,667,814
Other Current Assets	4,203,491	3,073,437
Total current assets	8,601,843,774	9,067,920,567
Non-Current Assets		
Receivables	9,676,202,752	10,375,178,432
Property, Plant and Equipment	181,548,295	183,871,426
Other Non-Current Assets	15,943,774	14,434,602
Total non-current assets	9,873,694,821	10,573,484,460
Total Assets	18,475,538,595	19,641,405,027
LIABILITIES		
Current Liabilities		
Financial Liabilities	97,534,362	76,114,544
Inter-Agency Payables	913,099,760	12,566,821,485
Trust Liabilities	244,115,031	145,209,089
Other Payables	17,634,039	17,634,039
Total current liabilities	1,272,383,192	12,805,779,157
Non-Current Liabilities		
Financial Liabilities	74,438,489	66,033,556
Deferred Credits	420,735,264	478,882,528
Total non-current liabilities	495,173,753	544,916,084
Total Liabilities	1,767,556,945	13,350,695,241
Net Assets (Total Assets Less Total Liabilities)	16,707,981,650	6,290,709,786
NET ASSETS/EQUITY		
Government Equity	4,970,461,024	4,792,900,464
Contributed Capital	177,560,561	177,560,561
Accumulated Surplus/(Deficit)	11,559,960,065	1,320,248,761
Total Net Assets/Equity	16,707,981,650	6,290,709,786



National Electrification Administration
STATEMENT OF FINANCIAL PERFORMANCE

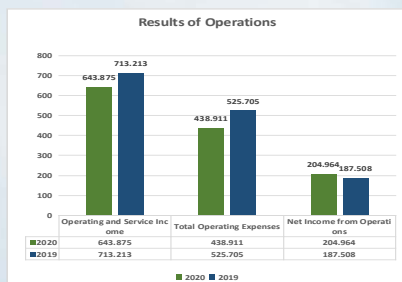
For the Year Ended December 31, 2020
(In Philippine Peso)

	2020	2019
Revenue		
Service and Business Income	643,874,637	713,213,606
Total Revenue	643,874,637	713,213,606
Current Operating Expenses		
Personal Services	(291,546,776)	(286,402,001)
Maintenance and Operating Expenses	(87,519,867)	(115,554,109)
Financial Expenses	(40,111,271)	(97,688,692)
Non-Cash Expenses	(19,732,760)	(26,060,486)
Total Current Operating Expenses	(438,910,674)	(525,705,288)
Surplus from Current Operations	204,963,963	187,508,318
Gain/(Loss) on Foreign Exchange	(426,717)	(333,659)
Other Non-Operating Income	24,775,816	36,144,986
Surplus before Tax	229,313,062	223,319,645
Income Tax Expense	(67,821,003)	(67,065,493)
Surplus after Tax	161,492,059	156,254,152
Financial Assistance	671,133,595	(392,153,956)
Net Surplus/(Deficit) for the Period	832,625,654	(235,899,804)

Finance Services

• Positive Results of Operations

NEA has consistently attained positive results in its operations. For CY 2020, operating and service income totaled PhP643.875 Million while total operating expenses amounted to PhP438.911 Million resulting to a Net Income from Operations of PhP204.964 Million.



• Remittance of Dividend Due to National Government (NG)

Based on NEA's operational performance for the year, the amount of PhP85.242M was remitted to the NG on April 22, 2021 as compared to the PhP85.715M dividend remitted for CY 2019 operations. This is in compliance to the provisions of RA 7656 or the Dividend Law. The dividends remitted by NEA represented the agency's share in the additional revenues of the whole government

• Payment of Corporate Income Tax

In compliance with Section 1 of RA 9337 amending Section 27 of RA 8424 or the National Internal Revenue Code (NIRC) of 1997, NEA paid the amount of PhP67.821M to Bureau of Internal Revenue (BIR) on April 13, 2021 as compared to the PhP67.065M Corporate Income Tax paid for the year 2019.

• Receipt of Unqualified/Unmodified COA Opinion

In the audit of NEA's Financial Operations for the years ending December 31, 2020, COA rendered an unqualified/unmodified opinion on the fairness of the presentation of the financial statements as indicated in the Independent Auditor's Report issued on July 30, 2021.

This is the 13th time NEA has received a highest audit rating on NEA's conformity to Generally Accepted Accounting Principles (GAAP) in accordance with the International Public Sector Accounting Standards (IPSAS).

• Subsidy Management

For the year, the NEA received a total amount of PhP1.441B subsidy fund from NG through the Department of Budget and Management (DBM). Sitio Electrification Program (SEP) got the biggest chunk amounting to PhP786.18M or 55% of the total subsidy.

To address the urgent need to rehabilitate distribution lines and restore electric service to member consumers in the coverage area of electric cooperatives (ECs) severely damaged by Typhoons Tisoy and Ursula, the NEA also received PhP107.78M Quick Response Fund (QRF) and PhP250M Electric Cooperative Emergency and Resiliency Fund (ECERF).

Also, the NEA received additional fund support as shown in Table 1.

• Collection of ECs Loan Amortization

This year's total collections amounted to PhP1.820B as against the collection target of PhP1.835 B or 99.15% collection efficiency computed based on the formula agreed between NEA and the Governance Commission for Government Owned or Controlled Corporation (GCG).

As compared to CY 2019 collection performance of 102.81%, collection efficiency decreased by 3.66% due to reduction in prepayment of loans made by the ECs.

Overall, the reduction was attributed to the vulnerability and restrictions imposed on the conduct of economic and social activities not only in the Philippines but globally due to Covid-19 pandemic. The top 5 paying ECs are shown in Table 2

Project	Amount (in PhP 'M)
Philippine Counterpart on JICA Donation for BARMIM ECs	145.84
Calamity Fund from NDRRM-Construction of the 20 MVA Substation in Marawi City	45.93
Electrification of LGUs/NGOs Resettlement Sites	98.97
Restoration of Damaged DX lines and Facilities in Region IV-B caused by Typhoon Usman	6.58
TOTAL	297.32

Table 1

EC	Amount (in PhP 'M)
1 NEECO II-A2	74,214
2 MORESCO I	59,233
3 OMECO	57,061
4 MORESCO II	56,737
5 CENPELCO	56,291
TOTAL	303,536

Table 2

Accounts Management and Guarantee

• Loans Facilitation

NEA extends loan to the ECs in order to help improve their financial and technical capabilities. In 2020, total loans extended to ECs reached PhP439.983M, the bulk of which or PhP311.903M went to finance the capital expenditure (CAPEX) projects and working capital requirements of 12 ECs.

NEA also extended a total of PhP128.080M calamity loans to 13 ECs to ensure immediate restoration of power to areas damaged by typhoons Quinta, Rolly, Tisoy and Ursula.

• Compliances to Prescribed Processing Periods

To guarantee efficient, effective and prompt assistance to ECs' loan request, NEA committed to facilitate 100% of ECs' request within 24 days for Regular Term Loan.

NEA was able to facilitate all ECs' request within the prescribed processing period of 24 days in compliance to the NEA Scorecard with the Governance Commission for GOCCs (GCG)..

• Payment of NG Advances

NEA paid PhP824,445,764.59 (inclusive of interest) to NG for its advances made on NEA's foreign loan obligations. As of December 31, 2020, the aggregate amount paid by NEA already reached PhP2,760,311,912.09 (inclusive of interest on advances amounting to PhP325,334,042.09), leaving a balance of PhP842,593,654.69 that is programmed to be paid in 2021.

• Subsidy Releases and Liquidation

NEA released subsidy funds amounting to PhP1.348B in 2020 for the attainment of total electrification of the countryside and for the reconstruction and rehabilitation of their distribution system.

These subsidy funds released to ECs are subject to liquidation following COA rules and regulations.

Project	Amount in M' Pesos
SEP/BLEP	688
Calamity Grant	294
NHA/NDRRMF	173
JICA Grant (Conversion)	70
EHEP	15
SHS	108
TOTAL	1,348

As of December 31, 2020, out of the total subsidy releases of PhP36.711B to 120 ECs, total amount liquidated stands at PhP33.936B, leaving a balance of PhP2.775B or 92% liquidation rate.

• Support to EC Fund Sourcing/Issuance of Loan Clearances

To assist ECs in accessing commercial financing for electrification projects and improving technical, financial and institutional capabilities, NEA approved the credit facilities of 41 ECs' loan from banks and other financing institutions amounting to PhP5.196B. The issued clearances were for refinancing of restructured power accounts with PSALM and outstanding loans with other banks, standby letters of credit for the prudential requirements of the ECs power providers, and credit line facilities for any availment by the ECs anytime to finance CAPEX projects and to augment working capital.

• Financial Policy Formulation

a) Policy Allowing ECs to Secure Working Capital Loan from Sources other than NEA in times of State of Calamity/Emergency

The Covid-19 pandemic, super typhoons and other natural calamities in 2020 had greatly affected the country and had caused and continuing to cause negative impact to the economy, including the ECs which are "non-stock, non-profit, and revenue-neutral (no provision of working capital). Due to NEA's limited resources, it cannot provide loans to all the funding requirements of the ECs.

To help the ECs in times of these difficult situations and emergencies, the NEA Board of Administrators approved the policy allowing ECs to secure working capital loan from sources other than NEA like banks, financing companies and other established financial intermediaries to augment monthly collection deficiencies in order to pay power bills, non-power cost and satisfy all other financial obligations and expenditures. The amount of loan shall not exceed two (2) times the EC's average monthly power billings with a repayment period of five (5) years.

b) Charging of Processing/Service Fee for NEA Clearance to Avail Loans from other Sources

The Policy on Charging of Processing/Service fee for NEA Clearance to ECs to avail loan from other sources equivalent to 0.05% of the approved loan but not to exceed PhP100,000.00 was approved under NEA Board Resolution No. 2020-23. As such, NEA generated revenue amounting to PhP1.137M that helped sustain the financial viability of NEA.

• EC Assistances

a) Restructuring of BENECO Loan Amounting to PhP134,872,385.42 (Sitio Electrification Project)

The NEA Board approved the restructuring of BENECO's Sitio Electrification Projects (SEP) outstanding loan amounting to PhP134,872,385.42 with an interest rate of three (3) percent per annum, payable in eight (8) years, ballooned type of amortization payment. The SEP loan was used by BENECO to finance its Rural Electrification Program (2008-2010) particularly the energization of 134 sitios in its franchise area without waiting for NG support.

b) Loan Moratorium/Deferment of Amortization Payment Granted to NORSAMELCO

Based on the approved Amended Guidelines on Moratorium/Deferment of Amortization payment for ECs affected by typhoons, natural calamities and other extra ordinary circumstances, ECs that suffered a loss in revenue of at least 50% due to natural calamities of which its area coverage is declared under state of calamity, shall be granted moratorium or deferment not to exceed a period of six (6) months.

In 2020, NEA granted NORSAMELCO one quarter loan moratorium for amortization due considering that it suffered a loss in revenue of 51% equivalent to PhP4.7M in December 2019 due to widespread destruction to its network and non-network assets caused by typhoon "Tisoy".

c) Conversion of Calamity Loan into Calamity Grant/Subsidy

NEA also provided on time calamity assistance funded by internally generated funds (IGF) to the ECs especially to those which cannot access loans from banks for the immediate restoration of power and repair of damaged distribution lines/systems caused by typhoons/natural calamities and other extra ordinary circumstances. Restoration of power in the backbone lines of affected ECs was realized in shorter days. The calamity loan bears an interest rate of 3.25-percent per annum, has a 10-year repayment term and one-year grace period.

The NG is likewise providing financial/calamity assistance to the ECs through the Quick Response Fund (QRF), a stand-by fund for the replacement, reconstruction, rehabilitation or repair of distribution facilities to effect the immediate normalization of situation and living conditions of people in communities affected by unfortunate incidents that occurred in the last quarter of the immediately preceding year and those occurring during the current year.

The Policy authorizing the Administrator to approve the conversion of calamity loans into grant/subsidy, subject to confirmation/ratification by the NEA Board was approved in April 2016 taking into consideration the magnitude of calamity grant provided by the NG to the ECs. The conversion takes effect upon receipt by NEA of the calamity subsidy fund.

The total calamity loan provided to ECs by NEA amounted to PhP138.08M in two (2) years (2019-2020). However, in accordance with the General Appropriations Act on QRF (under SARO/NCA) and Policy on Conversion, the Administrator approved the conversion of calamity loans aggregating PhP40.721M only into grant/subsidy of eight (8) ECs, as follows:

	EC	Amount (Php)
1	LUBELCO	407,375.62
2	MARELCO	1,977,422.94
3	TISELCO	5,028,912.61
4	TIELCO	426,936.00
5	OMEKO	1,985,629.00
6	ORMECO	10,931,617.17
7	NORSAMELCO	14,085,019.80
8	SORECO II	5,878,251.00
	TOTAL	40,721,164.14

- **Conversion of Concessional Loan Counterpart Cost for the JICA Donation** (Grant Agreement No. 1660760-Improvement of equipment for power distribution in Bangsamoro are into grant/subsidy of 6 ARMM ECs)

The Japan International Cooperation Agency (JICA) and the National Economic and Development Authority (NEDA) of the Philippines, on behalf of the Government of the Philippines, have agreed in March 2017 to conclude a Grant amounting to JPY771,000,000.00 for the improvement of equipment for power distribution in Bangsamoro area – with six (6) beneficiary ECs (MAGELCO, LASURECO, BASELCO, SULECO, TAWELCO and SIASELCO).

The Agreement stipulated that the Recipient/GoP is obligated to provide counterpart costs in the amount of PhP230M, which were not covered by the grant. The GoP counterpart is an amount specifically intended for payment of import taxes, custom duties, VAT and other fiscal levies and administration cost. It was agreed upon by DBM and NEA that the counterpart cost will be advanced by NEA charged against its corporate funds to be treated as loan to the recipient Bangsamoro ECs, subject to reimbursement by the NG.

The said administration cost was included in the FY 2020 budget of the NEA and upon the receipt of subsidy fund from the NG (through NCA), the amount of PhP70,352,601.91 loans of six ARMM ECs were converted into subsidy/grant, as follows:

	EC	Amount (Php)
1	MAGELCO	34,812,314.56
2	LASURECO	4,171,847.17
3	BASELCO	15,373,959.75
4	SULECO	10,711,274.13
5	TAWELCO	3,103,807.65
6	SIASELCO	2,179,398.65
	TOTAL	70,352,601.91

Management and Consultancy Assistance

The crippling effects of the pandemic did not spare NEA's implementation of the rural electrification program and the parallel operations of the Electric Cooperatives (ECs) throughout the country.

For the Management and Consultancy Services Office (MCSO), the numerous health, safety and travel protocols posed a major hindrance to the provision of continued financial, institutional and technical (FIT) assistance to the ECs. However, in keeping with NEA's mandate and commitment to deliver services to the people in the countryside, the Department persevered and achieved innovative and breakthrough accomplishments in order to address the problems, issues and concerns besetting the ECs under the "new normal" environment, as highlighted by the following:

• Conduct of Roundtable Discussions

Conducted the 1st Roundtable Discussions with EC Officers and Members of the Management Task Forces (TF) to provide an exclusive platform for more in-depth dialogue with concerned TF on urgent and critical issues and concerns on specific ECs particularly on those that deter the ECs' path towards expected operational improvement.

The Roundtable Discussions were conducted under the following schedule:

	TASK FORCE	DATES
1.	TF Duterte Abra Power	07-Oct-2020
2.	TF Northern Samar Power	
3.	TF Duterte Rinconada Power	08-Oct-2020
4.	TF Duterte Northern Davao Power	09-Oct-2020
5.	TF Duterte Zamboanga City Power	14-Oct-2020

• Holding of Executive Sessions of PS/AGMs

To review the performance of PS/AGMs and Assists through their respective Scorecard Accomplishments and Action Plans, NEA held executive sessions of PS/AGMs from August 13 to 19, 2020:

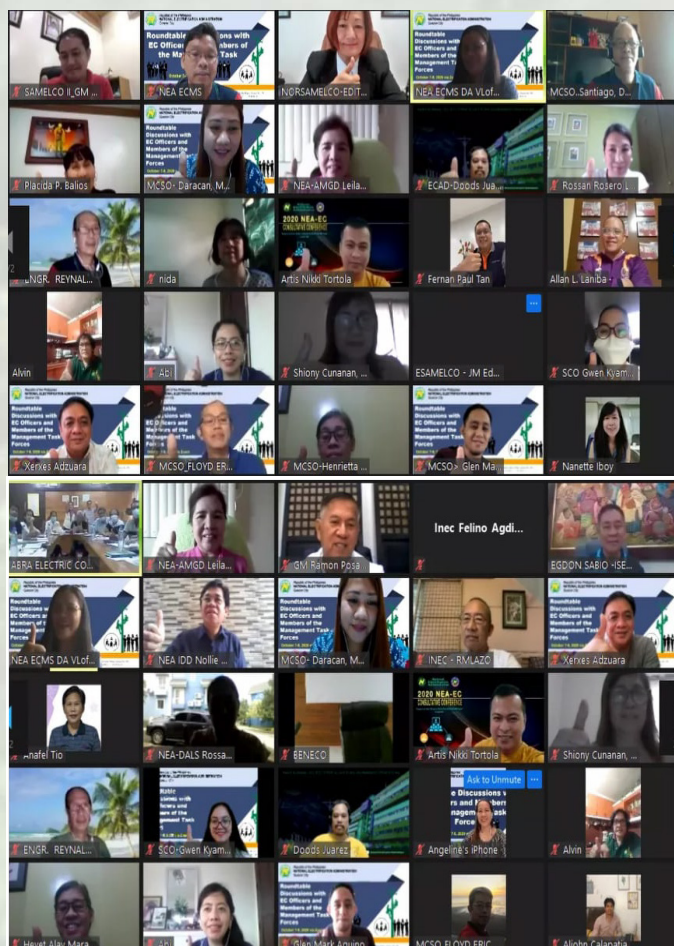
EC	NAME	DESIGNATION
1 LANECO	Sherwin C. Mañada	Project Supervisor (PS)/Acting General Manager (AGM)
2 ZANECO		General Manager (AGM)
3 ALECO	Lorenzo A. Penoliar	PS
4 CASURECO III	Wilfredo O. Bucsit	AGM
5 ABRECO	Victor L. Baula	PS/AGM
	Engr. Dencio A. Ramos	Technical Assist
6 TAWELCO	Engr. Eleno E. Desuyo, Jr.	PS/AGM
	Engr. Edward B. Domingo	Technical Assist
	Glen Mark F. Aquino	Financial Assist
7 ORMECO	Norberto M. Mendoza	PS/AGM
8 OMECO	Cesar E. Faeldon	PS/AGM
9 MASELCO	Rossan SJ. Rosero-Lee and	PS
	Romeo C. Acuesta	AGM
10 ZAMSURECO II	Jose Raul A. Saniel	PS/AGM
11 PALECO	Artis Nikki L. Tortola	PS
12 ZAMCELCO	Gannymede B. Tio	AGM
13 SOCOTECO I	Ricardo C. Orias, Jr.	PS/AGM
14 LASURECO	Vicar Loureen G. Lofranco	PS
	Bienvenida Tongol and	Financial Assist
	Engr. Floyd Bautista	Technical Assist
15 NUVELCO	Virgilio L. Montano	PS/AGM
16 Kaelco	Engr. Tito R. Lingan	PS/AGM
17 CAMELCO	Edmundo Y. Pacamalan, Jr.	PS/AGM
18 QUEZELCO I	Victor R. Cada	PS/AGM

Further, these were done to:

1. evaluate the effectivity of field assignments based on the improvement of EC operational and financial performance and compliances to NEA standards and parameters;
2. discuss the urgent issues/concerns affecting the EC and performance of PS/AGMs and Assists in respective field assignments;
3. set directions and raise the bar of individual performance as PS, AGM or Assists; and
4. assess the implementation of the EC Risk Management and Sustainability Plan/Business Continuity Plan (ECRM-SP/BCP) incorporating the Covid-19 Protocols adapting to the "New Normal".

• Conduct of Virtual Dialogue/Meeting with Ailing ECs

To provide guidance and assistance in resolving problems and identifying strategies for the improvement of the operational efficiency, financial viability and assurance of power reliability of the ECs for member-consumer-owners' satisfaction, virtual dialogue/meeting with ailing ECs namely TAWELCO (22 September 2020), BASELCO, SULECO and LASURECO (19 October 2020) were undertaken.



EC Audit Services



• Financial and Management Audit

With the declaration of Enhanced Community Quarantine (ECQ) and the State of Public Health Emergency throughout the Philippines due to the Covid-19 pandemic, the tasks of the Electric Cooperative Audit Department (ECAD) was affected.

NEA auditors have to cut-short their travel to ECs that resulted to the conduct of four activities such as Financial and Management Audit including monitoring and evaluation of EC's operating system in TARELCO I, MORESCO II and LUBELCO and Institutional and Technical Audit in TAWELCO.

Also, with NEA issued memorandum dated June 30, 2020 wherein official travels were restricted in compliance to DOE Administrative Order No. AO2020-05-001 to mitigate the spread of Covid-19, the conduct of the audit of ECs was temporarily deferred. However, 20 audit reports were finalized and furnished the EC Board and Management.

The Board of Directors and Management of these ECs were required to submit their justifications/explanations and action plans on NEA audit findings and recommendations for evaluation.

After the evaluation of the justifications/explanations on the audit findings of said ECs, five (5) ECs were recommended for the filing of motu proprio case before the NEA Administrative Committee (ADCOM) due to their failure to fully justify some adverse findings.

Meanwhile, the Evaluation Reports were furnished to the concerned ECs and the Audit Report were then considered final and available to stakeholders and other interested parties, subject to the provisions of the Freedom of Information Law (FOI).

a) Write-Off of Consumer Accounts Receivable and Disposal of Non-Performing Assets

For the year, a total of 26 EC's Consumer Accounts Receivable for write-off amounting to PhP157,231,561.18 was evaluated. As a result, the ECs were able to accurately and fairly present their financial viability and enabled them to employ better collection strategy.

In addition, the floor price of 20 ECs' non-performing assets (NPAs) for disposal with an aggregate amount of PhP37,198,217.97 was evaluated. The proceeds derived from the sale formed part of the coop's general fund inflows that were utilized for payment of its loan amortization and other operational cost.

b) Dialogues and Consultations

For its intervening task, executive sessions with NEA designated Project Supervisors and Acting General Managers of 18 ECs were conducted on August 4, 2020, through an exclusive virtual platform for an in-depth dialogue on urgent and critical issues and concerns especially those that deter EC's expected operational improvement.

In addition, the Department and Acting Division Managers continuously made themselves available during interviews of applicants for EC General Manager. The Department also extended management support to MASELCO as one of the staff was assigned as Institutional Assist to the Project Supervisor.

c) Revision of Guidelines

The banner project of ECAD was the finalization of the Revised Guidelines on Disposal of Non-Performing Assets of Electric Cooperatives. However, as instructed by the NEA Board of Administrators, previously issued policies were revisited and the amendment in the Guidelines in Writing-Off Consumers Accounts Receivables was prioritized.

The Revised Guidelines for Writing-Off Worthless Consumer Accounts Receivables as Amended was approved by the NEA Board, published in the Official Gazette and posted on the NEA website under Memorandum No. 2020-055.

Meanwhile, the proposed draft for the revision of Guidelines on Disposal of Non-Performing Assets of ECs and Guidelines in Computation of Allowance for Doubtful Accounts were submitted to the Deputy Administrator of ECMS for review.



EC Institutional Development Services



• Policy Formulation

In the effort to ensure the competitiveness of Electric Cooperatives (ECs), NEA, through its Organization Management and Development Division, formulated and issued five (5) Institutional Advisories/Memos that dealt on the following concerns

1. Submission of Board Resolution on the Adoption of Code of Governance for Electric Cooperatives dated 24 February 2020 through Institutional Advisory No. 38;
2. Submission EC Board of Directors and General Managers Evaluation Forms as contained in Memorandum No. 2020-006;
3. Deferment of District Elections provided under Memorandum No. 2020-010;
4. Cancellation of Year 2020 Annual General Membership Assembly and Other similar activities and deferment of year 2020 district elections through Memorandum No. 2020-017 -
5. Conduct of Deferred and Regular District Elections in 2021; Annual Membership Assembly and Other similar activities dated 09 December 2020 via Memorandum No. 2020-058

• Organization Development

On ECs reorganization/re-alignment/re-engineering, there were five (5) ECs assisted/evaluated in OMECO, TIELCO, PALECO, SIASELCO & BATELEC I.

One (1) EC capacitated on the adoption of Individual Performance Evaluation System (PES) using the balanced scorecard - PANELCO III.

• Human Resource Management

Four (4) ECs were assisted in the conduct of Post Evaluation on the implementation of salary upgrading, namely: SURNECO, BOHECO I, BANELCO and BOHECO II

Human strengthening is essential in any organization, OMDD have evaluated fifty two (52) policies and twenty four (24) employees salary upgrading to: SOCOTECO I, BUSECO, GUIMELCO, CAGELCO I, NORSAMELCO, LANECO, PRESKO, LUELCO, SOLECO, CENPELCO, SIARELCO, BISELCO, DIELCO, BOHECO II, SIASELCO, ISELCO I, OMECO, SORECO I, NUVELCO, QUIRELCO, LEYECO IV, SUKELCO, KAELCO & ISELCO II, Likewise, seven (7) EC General Managers request for Retirement were processed and evaluated, namely: LEYECO V, FLECO, COTELCO, QUEZELCO II, NEECO I, ZAMECO II &

SAMELCO I. Similarly, four (4) EC GM on hold-over capacity were processed and evaluated: COTELCO, TIELCO, ANTECO and NEECO I.

On GMs salary evaluation/upgrading, OMDD processed and evaluated to Twenty Three (23) ECs namely: BOHECO II, DORELCO, LEYECO III, QUEZELCO II, BATANELCO, LUELCO, ROMELCO, NORECO II, CAGELCO I, SAMELCO I, LEYECO II, MARELCO, COTELCO, SOLECO, BENEKO, PELCO III, ASELCO, MOELCI II, CEBECO III, QUEZELCO I, CEBECO I, LEYECO IV and CEBECO II.

Processing of Selection, Hiring and Termination of Services/ Suspension of EC General Managers is one of the activities undertaken by the OMDD based on Standards set through a NEA Policy. Thus, for this year, seven (7) applicants were assisted on the qualifying examinations to DASURECO, SOCOTECO I, SURSECO II, SOCOTECO II, DANECO, LEYECO V and BENEKO. Similarly, Initial Interviews were done by the NEA Screening Committee to eight (8) ECs – CASURECO II, SOCOTECO I, LEYECO, SOCOTECO II, DANECO, SURSECO II, DASURECO and BENEKO.

As regards the final interview by the NEA Board of Administrators, GMs from CAGELCO II, BASELCO, SOCOTECO II and BUSECO were processed and also confirmed ten (10) Officer-In-Charge of various electric cooperatives.

• Designation of Nominees to Member-Consumer-Owners Program for Empowerment (MCOPE)

To provide additional assistance to ECs and considering valuable contributions and vital participation in the implementation of the coop's various programs and activities, the designation of Multi-Sectoral Electrification Advisory Council (MSEAC)/MCOPE nominee to the Board of Directors to the following ECs such as: DORELCO, LEYECO III, ORMECO and QUEZELCO II and NEA Representative from CASURECO II, CENPELCO and LANECO were processed and confirmed.

Likewise, extension in the term of office to NEA Representative to LANECO, ORMECO, LEYECO II and BILECO were processed by OMDD and subsequently approved by the Board.

Lastly, one consultative conference/meeting on the proposed policies/institutional feed backing with EC was held.

Examinations Conducted

- **SOCOTECO II** - OIC Geronimo Desesto - Sept. 16, 30 & Oct. 2, 2020
- **DANECO - AGM Angelo Sotto** - Sept 18, 30 & Oct. 2, 2020
- **LEYECO V - OIC Atty. Jannie Ann J Dayandayan** - Sept 25, 30, & Oct. 2, 2021

Conduct of Initial Interview

- **CASURECO II - Ms. Emelita Candia** - January 31, 2020
- **SOCOTECO I - Ms. Judith Amido & Atty. Remegio Armada** - September 3, 2020
- **LEYECO V - OIC Atty. Jannie Ann J. Dayandayan** - October 29, 2020
- **SOCOTECO II - OIC Geronimo Desesto** - October 29, 2020

- **Consumer Development and Protection**

The impact of the new normal brought about by the global pandemic due to Covid-19 did not hinder the Consumer Development and Protection Division (CDPD) from attaining MCO empowerment and protection through the various initiatives aimed at sustaining the gains of the rural electrification program.

- **Regional Roadshows on Member-Consumer-Owners Program for Empowerment (MCOPE)**

As part of the division’s two-pronged mandate to protect and empower member-consumer-owners (MCOs), two regional roadshows on Member-Consumer-Owners Program for Empowerment (MCOPE) specifically for Regions I and CAR were conducted.

This undertaking of introducing the MCO organizing concept to scores of officials, employees and MSEAC representatives in 11 ECs of the said regions translated to 22,860 barangay MCOs organized nationwide with 56 ECs with 100% organized MCOs at the barangay level.

Four ECs were also provided assistance in the establishment of 10 livelihood projects like Rug making, Mushroom production, Hog raising , among others for the marginalized beneficiaries toward MCO empowerment through identification/selection of recipients.

- **Consumer Protection**

For the year, a number of initiatives and projects were undertaken to promote consumer protection of ECs, as follows:

- a) **Production of “MCOPE:MCO Activities”**

This is a booklet about the activities of the MCOPE in towards the attainment of its ultimate mission of empowering the MCOs This were distributed to all ECs as information material;

- b) **EC By-Laws Amendment**

A total of three requests for By-Laws amendment were processed in accordance with the pertinent provisions of existing laws, rules, and other regulatory/NEA issuances.



Photo: Zamcelco

- c) **Response to Consumer Complaints**

NEA responded to 1,042 consumer complaints received or endorsed by the Department of Energy, Civil Service Commission, Office of the Ombudsman, local government units, Hotline 8888, Presidential Complaint Center and other attached departments under the Office of the President.

In 2020, a total of 500 citizens’ complaints were referred by 8888 to the NEA. Of the number, 498 tickets or 99.6 percent were acted upon by NEA and the ECs with concrete and specific action within 72 hours from receipt of the endorsement from Hotline 8888 while 2 tickets or 0.4 percent were under processing and awaiting feedback.

With regard to the compliance rate, the NEA attained 93 percent in 2020.

- d) **Customer Satisfaction Survey**

As a validation of the effectiveness of the NEA established complaints mechanism, a survey on customer satisfaction was conducted to 180,704 MCOs. Survey results generated a Very Satisfactory rating on ECs programs and services that will serve as basis in identifying appropriate measures/strategies to attain institutional stability.

- e) **Review of KPS-Institutional Parameters**

Also, review/assessment of the Institutional programs/ activities of 121 ECs based on KPS-Institutional parameters were undertaken to determine their overall rating for EC categorization and classification.

Of the 121 ECs reviewed quarterly, 102 ECs were assessed to be fully compliant to governance criteria, and 19 of them were partially compliant to the same. The assessment was also done to identify possible interventions for institutional strengthening of the ECs.

In addition, the ECs’ monthly institutional and performance standard monitoring reports comprising of five Institutional DETs were also validated through the NEA Web Portal.

- f) **2021-2022 Biennial e-ICPM**

Eleven virtual regional orientation briefing were conducted in the preparation of the 2021-2022 biennial e-ICPM. These activities aimed at ensuring that all requirements for institutional concerns were incorporate in the e-ICPM.

Corollary to this, e-ICPM on Institutional Plans and activities were also evaluated which serve as basis for the approval of the ECs’ COB.

Engineering Operations

- **Technical Assistance**

a) Pole Relocation Project

With the implementation of the government project to improve the condition of road network by the Department of Public Works and Highways (DPWH), the normal operations of the electric distribution utilities were significantly disrupted.

Several distribution facilities under the franchise areas of the Electric Cooperatives (ECs) were affected and became obstructions to national roads and highways, posing danger to the public, thus, the need for relocation. The relocation of these facilities to safe locations entails and will incur substantial costs to the ECs.

Meanwhile, the DOE- DPWH Joint Circulars, in compliance with the provision of RA 10531, provides the implementing guidelines or procedures for the compensation of the pole relocation project.

The Engineering Department which is tasked to implement the said project shall evaluate the project cost, issue the Certificate of Cost Estimate and monitor the status of project implementation, among others.

For 2020, the total evaluated cost associated with this project amounted to PhP4.2B corresponding to the relocation of 67, 858 electric poles.

However, despite the issuance of the Joint Circulars, the project accomplishment was relatively low due to the delay in the release of funds. This became one of the major concerns during the Senate deliberation of the NEA 2021 Budget in October 2020.

b) Distribution Impact Study (DIS)

The influx of energy resources interconnected to the distribution system, particularly renewable and other distributed energy resources, increases in recent years due to the mandate of the national government. Such interconnection to the distribution system may result in conditions that go beyond the limits of what the distribution grid is originally designed.

To address the potential adverse effects of this, a Distribution Impact Study (DIS) for the Region III ECs was conducted and participated in by a total of 30 engineers from 12 ECs. The orientation aimed to capacitate the participants on the how to better respond to possible impact of interconnection of the aforementioned energy resources to the operation, safety, power quality and reliability of the distribution system. DIS capacity building for the Region II ECs on the 3rd quarter of 2020 did not materialize due to the pandemic situation.

c) JICA-BARMM Project

In the continuous assistance towards the completion of the project intended for the rehabilitation of the distribution lines of the six (6) ECs in the Bangsamoro area, as funded by the grant of the Japan Government through JICA, the delivery of all materials and equipment to the beneficiary-ECs were already completed.

For 2020, Basilan Electric Cooperative, Inc. (BASELCO) was able to complete the line rehabilitation in the 4th quarter of 2020. Partial completion at 57% of the project was undertaken in Maguindanao Electric Cooperative, Inc. (MAGELCO).

Meanwhile, the rehabilitation works of the other 4 ECs (LASURECO, SIASELCO, SULECO, TAWELCO) will commence upon the release of construction funds.

The JICA grant amounted to PhP345M while the Philippine counterpart was PhP145M. The JICA grant covered the cost for the supply and delivery of Boom Trucks, Distribution Transformers, Electric Poles and Conductors.



- **Performance Assessment and Technical Audit**

Due to the challenging situation, the conduct of the Performance Assessment and Technical Audit for the Region I Electric Cooperatives in the last quarter of 2020 was put on hold.

Hence, the preparation for the Manual of Technical Audit (MTA) has been considered and prioritized. The draft MTA was already submitted to the concerned Department for review and further comments. The approval of the MTA will serve as the reference and guidelines in the performance assessment and audit of the ECs'.

- **Technical Support on 2021 NEA Budget Hearing**

As directed by the Senate Committee, NEA submitted pertinent data/information relative to the Pole Relocation Project. Coordinative activities were held with the ECs get updates on the status of their respective pole relocation activities and subsequently prepared/submitted the technical report to the Senate Committee on Energy through various letters dated 23 October 2020, 09 November 2020 and 16 November 2020. These reports served served as references to the proposed transfer of funds for the Pole Relocation Project from the DPWH to NEA as provided under the Joint Circular No. 3 by DOE and DPWH.

- **Technical Inputs to the Proposed House Bills**

For 2020, a technical review of four (4) house bills was undertaken in order to provide inputs and come up with recommendations that were included in NEA's position paper dated 15 September 2020. This was submitted to the proponents of the bills for consideration. The issues and concerns raised by several stakeholders on the proposed bills were offshoot of the NEA-issued Memorandum on the Joint Pole Attachment. These house bills were:

1. HB No. 412 or the "Pole Attachments Act" by Rep. Xavier Jesus D. Romualdo
2. HB No. 2238 or the "Pole Attachments Act" by Deputy Speaker Evelina G. Escudero
3. HB No. 3825 or the "Pole Attachments Act" by Deputy Speaker Rufus B. Rodriguez
4. HB No. 4665 or the "Safety Standards of Pole Structures Act of 2019" by Rep. Anthony Peter "Onyx" D. Crisologo

- **Implementation of Polychlorinated Biphenyls (PCB) Management Programs for ECs and Safe E-wastes Management**

NEA, in cooperation with Global Environment Facility, UNIDO, DENR-EMB, and ECs. attended the 7th Project Steering Committee (PSC) Meeting Spearheaded by DENR and UNIDO on 16 December 2020 to tackle issues and concerns on the following;

1. Status of the Non-Com POPs Facility operations and proposed PSC Resolution
2. Updates on the implementation of the UNIDO/NRDC contracts with Electric Cooperatives in Regions 1, 3, and 5 on the disposal of PCB-contaminated electrical facilities.
3. Strategies to identify additional ECs to be subsidized by the project

Disaster Risk Reduction and Management

- **Simulation Exercises on AURELCO’s Emergency Response Plan (ERP)**

From February 10 to 14, 2020, the NEA, through its Disaster Risk Reduction and Management Department, conducted observation activities of AURELCO’s Emergency Response Plan (ERP) to determine its effectiveness and make the necessary adjustments after the conduct of ocular inspection of the cooperative’s resources for disaster preparation and response.

The ECs should submit annually before the end of the month of March, their updated Emergency Response Plan (ERP) in compliance to the requirements set for the availment of EC Emergency Response Fund (ECERF). This document shall also include its Resiliency Compliance Plan (RCP) and the Vulnerability Risk Assessment (VRA).

The EC should refer their vulnerabilities in their coverage areas to the hazard map provided by the Department of Science and Technology (DOST) which will be the basis for an Emergency Response Plan (ERP) as regards to pre, during and post disaster activities.

The simulation activities included the following:

a) Pre-Calamity

A meeting of heads of Emergency Response Organization (ERO) was held.

Testing and check up of the coop’s back up power for its Headquarters was also checked and found to sufficiently serve the required power supply requirement for its Headquarters or Main Office. Stand by generator sets for its sub-offices were also in the pipeline for procurement.

Accounting of logistical or contingency requirements such as like poles, conductors, distribution transformers, and other line hardware materials were done.

b) Post Calamity

EC employees especially engineers, foreman and linemen reported immediately to the main office; the TSD manager organize for the possible dispatch to start the power restoration

The Coop’s Board Room was also used as Command Center.

To immediately inform their MCOs to prepare for the coming typhoon, a regular program is being conducted to the three radio stations in the Province of Aurora.

- **Mobilization of Task Forces (TF)**

Task force Kapatid is a time-tested compact of cooperation between and among ECs. It is an institutionalized mechanism



wherein ECs assist other ECs in need, whether in times of calamity or in rehabilitating electric distribution facilities to improve their services.

For the year, a total of six task forces were mobilized, as follows:

a. **Task Force Kapatid “Tisoy”**

Typhoon Tisoy (international name Kammuri) made its landfall in Gubat, Sorsogon on December 2, 2019 and damaged the power distribution facilities of affectedn in MIMAROPA and Bicol regions with the total estimated cost of damage at PhP1.491B.

To bolster the power restoration activities, some 26 ECs from Ilocos, Cagayan Valley, Central Luzon and the Cordillera Administrative Region sent 159 line workers and support personnel with boom trucks and equipment to facilitate the fast rehabilitation of lines and immediate power restoration in the area. Eastern Visayas ECs also sent crews to Northern Samar as part of the Task Force Kapatid “Tisoy”, a special unit of line workers strategically organized to quicken the pace of power restoration activities in the aftermath of disasters.

b) **Restoration activities in ECs affected by Typhoon “Ursula”**

With the onslaught of typhoon “Ursula”, 16 provinces in MIMAROPA, Central Visayas, Eastern and Western Visayas were affected wherein the power distribution facilities of 30 ECs were heavily damaged with a cost estimate of PhP579.464M.

On December 26, 2019, efforts to restore power have commenced in the provinces of Romblon, Oriental Mindoro, Occidental Mindoro, Capiz, Aklan, Iloilo, Negros Oriental, Cebu, Biliran, Leyte, Eastern Samar, and Western Samar.

Line workers who are helping in the effort to restore power are from CEBECO I, II and III, BOHECO I, BOHECO II, and NORECO II.

c) **Task Force Kapatid “Ambo”**

Typhoon Ambo, internationally named “Vongfong”, entered the Philippine Area of Responsibility (PAR) on 10 May 2020. A total of 141,450 families were affected in 560 barangays in Regions I, II, III, VIII and CAR. The typhoon caused an estimate of PhP189M in damages to ECs operating in the provinces of Quezon, Marinduque, Sorsogon, Masbate, Western, Eastern and Northern Samar.

These provinces are under the coverage areas of the Camarines Sur I Electric Cooperative, Inc. (CASURECO I), Camarines Sur II (CASURECO II), Camarines Sur III (CASURECO III), Camarines Sur IV (CASURECO IV), Albay Electric Cooperative, Inc. (ALECO), and Biliran Electric Cooperative, Inc. (BILECO).

The PRRD Task Force Kapatid ‘Ambo’ was dispatched to help re-establish electricity services in Eastern and Northern Samar provinces following the onslaught of the typhoon. The team was composed of 67 line workers and support personnel equipped with boom trucks and utility vehicles from nine participating power co-ops in Leyte, Southern Leyte, Samar and Biliran Island.

d). **Restoration activities in ECs affected by Typhoon “Quinta”**

Typhoon Quinta, international name: Molave, made its landfall in the Philippine Area of Responsibility on October 25, 2020. Several provinces covered by at least 23 ECs were affected by the onslaught of the typhoon. Reports showed that these ECs have experienced varying degrees of power interruptions in their respective coverage areas in the provinces of Cagayan, Laguna, Batangas, Quezon, Marinduque, Occidental Mindoro, Oriental Mindoro, Romblon, Palawan, Camarines Sur, Masbate,



Sorsogon, Albay, Catanduanes and Aklan.

The estimated cost of damage incurred by the ECs reached PhP50.922M. Teams from other ECs were dispatched to assess the damage caused by the typhoon to the distribution facilities and to restore power as quickly and safely as possible.

Line workers, engineers, and other EC personnel are continuing their work to restore power to the remaining households, which are located in the provinces of Batangas, Quezon, Marinduque, Occidental Mindoro, Oriental Mindoro, Romblon, Palawan, Camarines Sur, Masbate, Sorsogon, Albay, and Catanduanes.

e). Task Force Kapatid “Rolly”

Super Typhoon Rolly (international name Gonni) was an extremely powerful tropical cyclone that made landfall as a Category 5 equivalent to super typhoon and brought havoc in Virac, Catanduanes on November 1, 2020.

PRRD Task Force Kapatid composed of 56 teams from 47 participating ECs from Regions I, II, III, IV-A, IV-B, VI, VIII and Cordillera Administrative Region (CAR) with 330 line workers and support personnel equipped with boom trucks, utility vehicles and other equipment were mobilized by PHILRECA to assist in speedy distribution line rehabilitation efforts and immediate restoration of power in the area coverage of FICELCO. The estimated cost of damage to power distribution facilities of the ECs has reached PhP370M.

The provinces of Camarines Sur, Camarines Norte, Albay, and Sorsogon covered by eight ECs lost power due to the weather disturbance and unavailability of transmission services from the National Grid Corporation of the Philippines (NGCP).

f) Task Force Kapatid “Ulysses”

On 08 November 2020, Tropical Depression “Ulysses” entered the Philippine Area of Responsibility (PAR) affecting a total of 1,245,841 families or 7,236 barangays in Regions NCR, I, II, III, CALABARZON, MIMAROPA, V and CAR which are under the coverage area of 43 ECs.

The estimated cost of damage to power distribution facilities of the affected ECs has reached P164.655M.

Volunteers which form part of the PRRD Task Force Kapatid composed of over 300 line workers and support personnel from 43 electric cooperatives in Luzon and Visayas were dispatched to assist in the restoration of electricity in Catanduanes.

Total Electrification and Renewable Energy Development

• **NEA’s Subsidized Renewable Energy Projects**

a) Expanded House Hold Electrification Program (Expanded HHEP)

The NEA has allotted PhP153M for the Expanded House Hold Electrification Program (Expanded HHEP). Through the Solar PV Mainstreaming Program (PVM), the NEA is planning to electrify at least 5000 HH using 50 Wp Solar Home System (SHS) units.

The PVM program is an off-grid electrification scheme that aims to bring electricity to the most dispersed and isolated households that are deemed unviable for grid connection in the next five years.

The EC beneficiaries namely ILECO III (931), BISELCO (1,200 HH), COTELCO (1,063 HH), CASURECO IV (878 HH), and ZANECO (967 HH) conducted the bidding for the Supply, Delivery and Installation of the Solar Home System Units. The results of the biddings were then forwarded to NEA for the releasing of subsidy. All ECs have completed the Virtual Factory Acceptance Test.

b). Expanded Sitio Electrification Program (Expanded SEP)

The Expanded Sitio Electrification Program (Expanded SEP) has an allocated budget amounting to PhP12M for the Conduct of Feasibility Study on Establishing a Mini-Grid System with Renewable Energy Source.

The feasibility study was for the use of renewable energy to provide electricity in six off-grid areas in the franchise jurisdiction of EC beneficiaries. A kick-off meeting was held July 25, 2019 which was attended by QUEZELCO II, ZANECO, DASURECO and SOLECO.

Documentary requirements were submitted for the projects in (1) Brgy. Carlagan, Burdeos, Quezon (2) Brgy. Rizal, Panukulan, Quezon, and (3) Brgy. Cabungalan, Burdeos under QUEZELCO II., in (1) Brgy. Selinog, Dapitan City under ZANECO and in (1) Brgy. J.P. Laurel (2) Brgy. Tamban, Sarangani Province under SOCOTECO II.

• **Information Education and Communication (IEC) Campaign**

In order to capacitate the ECs and Renewable Energy and enable them to adhere to the implementing rules, policies and guidelines on Renewable Energy programs, a series of seminar-workshops was conducted to help ECs and stakeholders gain understanding on various renewable energy technologies:

a) Net-Metering program

Through this seminar-workshop aimed at enabling ECs to implement their own net-metering implementation plans. Specifically, the ECs would be equipped with the skills on solar rooftop installations, and other RE technologies under the net-metering scheme and its implications to ECs on both technical and administrative processes.

b) Simplified Planning Tool “SPT”

This is a Renewable Energy-Diesel Hybrid System Program for island communities in the Philippines designed to efficiently and economically utilize the renewable energy resources. It is meant to provide a systematic approach on how to assess and develop RE-diesel



hybrid applications. This aimed to guide interested RE developers and energy sector stakeholders especially the ECs through the planning process of technically sound and commercially viable hybrid schemes.

Further, this technology aimed to help the ECs better understand the basic concept of hybridization and on how it works; train the ECs on the use and functions of the SPT, as well as provide them assistance through training including technical and financial simulation in developing projects for their assessment; and to design and evaluate the least cost hybrid configuration which should be technically acceptable and financially viable.

The Seminar-workshop on Simplified Planning Tool (SPT) for RPS Compliance of Off-Grid Participants was an initiative of the Department of Energy – Renewable Energy Management Bureau (DOE-REMB) and assisted by the NEA-REDD intended to help the Off-grid Mandated Participants prepare for the required RPS compliance.

c) Technical seminar on the Renewable Energy Micro-grid Projects

This was undertaken in cooperation with the DOE Renewable Energy Management Bureau in order to equip the Mindanao ECs with the knowledge and skills that they need to implement and to update the ECs with different schemes that they can utilize in their project planning phase for renewable energy projects.

These IEC activities were conducted with the use of both face-to-face seminar workshops and webinar applications such as Zoom. This enabled NEA to continue providing assistance to the ECs even with the continued implementation of community quarantine protocols nationwide.

- **Assisted Project Under the National Economic and Development Authority (NEDA)**

- a). **Feasibility Study for the Hybridization of Existing Diesel Power Plants (DPPs) with Renewable Energy (RE) and Battery.**

The Study aims to evaluate the potential for hybridization of existing DPPs with RE (e.g., solar, wind, hydro) and battery in the island grids and missionary areas in Region VIII or Eastern Visayas.

The Study, which will be conducted through multidisciplinary studies, also aimed to lay the groundwork for the implementation of the identified viable hybrid power plant projects, especially by ECs that are willing to take over the off-grid generation function in NPC-SPUG areas covered by their respective franchise. It was envisioned that the implementation of said projects will enhance the commercial viability of power plant operations in the selected NPC-SPUG areas and reduce their dependence on oil-based power generation.

To achieve the said objectives, the following activities shall be undertaken:

1. Identify, assess and catalogue the potential hybridization scheme/s for the selected DPPs;
2. Select the more attractive hybridization scheme/s (from those listed in the project inventory/catalogue) for each of the selected DPP;
3. Appraise and establish the need for such projects to be carried into the next study level; and
4. Evaluate the technical, economic and financial viability, including the social and environmental acceptability, of the selected hybrid power plant project(s).

Value/options analysis will be applied throughout the conduct of the Study, including assessment of costs and risks for each option to determine the most economical and cost-effective option that would result to the highest value for money for the Government.

The winning Joint Venture (JV) of Engineering and Development Corporation of the Philippines (EDCOP) and Tractebel, Inc. started the Feasibility Study in December 2018 with data gathering from NPC, NEA, and other concerned agencies. Socio-Economic Survey was conducted in the affected barangays.



In January 2020, EDCOP and Tractebel, Inc. conducted a “Prosumer” Software overview and group discussion. The NEDA and NEA provided reviews and comments for the finalization and submission of the Final Report.

On 02 December 2020, the JV has submitted the revised final report for the 10 sites which NEA endorsed to NEDA for acceptance. Upon acceptance, the Feasibility Studies will be endorsed to SAMELCO I, SAMELCO II and NORSAMELCO for implementation.

- **Assisted Projects Under The “European Union - Access to Sustainable Energy Programme (EU-ASEP)”**

- a) **Solar PV Mainstreaming (PVM) Program Window 2**

The Solar PV Mainstreaming Program (PVM) as one of the components of the European Union - Access to Sustainable Energy Programme (EU-ASEP) is an off-grid electrification scheme, wherein EC will operate and maintain individual solar home systems (SHS) to dispersed households in their remote and off-grid areas for a fixed monthly tariff approved by the Energy Regulatory Commission (ERC).

The EU-ASEP conducted a PV Mainstreaming Window 2 Workshop on December 11, 2019 at SOCOTECO II Head Office, General Santos. One of the objectives of the workshop was to review the Window I Experience and identify lessons learned. The workshop also discussed details regarding the (1) Technical Specifications (2) Project Preparation (3) Procurement (4) Installation (5) Verification.

The four ECs namely COTELCO, DASURECO, SUKELCO and SOCOTECO II in PVM Window 1 was joined by additional two ECs for the PV Mainstreaming Window 2, FIBECO and BUSECO. PVM Window 2 was allocating additional 30,500 HH to be energized by SHS.

In the first semester of 2020, the NPC, as Project Manager conducted competitive bidding for the procurement of SHS Units. The project experienced delays due to the onset of Covid19 but was expected to be completed by the 3rd quarter of 2021.

- b) **Rural Network Solar (RNS)**

Another component under the EU-ASEP is the “Rural Network Solar” (RNS). It aims to promote development of small grid connected solar PV power plants installed in cooperation with the private sector, at or close to distribution substations in the service territories of the ECs, with the end view of reaching the country’s total rural electrification and renewable energy development.

This program was specifically designed to expand EC purchase of RE without requiring increases in tariffs, and thus contribute to the mission of RE development at no additional cost for the Philippine economy. The RNS program will provide the subsidy as a capital-cost by-down with a total of 7M Euro (~PhP420M). Seven projects will be identified with a maximum of 1 Million Euro or PhP 63.86M per project as donation. In this project, the ECs will shoulder a maximum of 30% as equity and secure Certificate of Registration (COR) for Own-Use.

The RNS- Technical Working Group (RNS-TWG) identified the following criteria for the selection of the beneficiaries of the program;

power supply deficiency, availability of land (at least 1.2 ha) beside or near the substation, vulnerability to risks/disasters, cost of electricity (generation), and strong commitment.

Out of the 31 ECs who submitted letter of intent to be part of the said program, seven (7) ECs were chosen and initially identified as the potential beneficiaries of the RNS program (BENECO, INEC, PANELCO I, SAMELCO I, SAMELCO II, SOCOTECO II and SUKELCO).

c) Integration of Productive Uses of Renewable Energy for Sustainable and Inclusive Energization in Mindanao (I-PURE Mindanao)

The Integration of Productive Uses of Renewable Energy for Sustainable and Inclusive Energization in Mindanao (I-PURE Mindanao) is a project funded by the EU-ASEP 4.5 Million Euro Top-up Grant. The NEA, as the lead applicant, is coordinating with the Mindanao Development Authority (MinDA) and some Mindanao ECs to implement this grant funded project with the aim of bringing improved economic and social conditions to families in marginalized and disadvantaged communities in Mindanao through the use of renewable energy solutions for their livelihood activities and household energization.

The project will utilize different energization schemes and renewable energy powered machineries to augment the economic generation potential in the agri-fishery value chain in some areas in Mindanao.

The NEA has already submitted initial project proposal to the EU-ASEP and are now working on the revisions suggested by the EU. Once revisions and all other requirements are complete. The EU-ASEP will evaluate the proposal and will notify the NEA once a decision has been made.

• Other Assisted Projects

a) Installation of Solar Facility including Net Metering Application and Equipment for the (10) Ten Public Schools in the coverage area of BATELEC II.

The Renewable Energy Development Division supported the Project's intention to source a portion of (10) Ten Public Schools' demand thru the use of Solar Facility. The Project aims to install a Solar Power Facility in rooftop of Public Schools including a Net Metering Connection.

The Net Metering connection enables the Public Schools to maximize the power generated by the Solar Facility. The excess power will be delivered to the grid and will be offset on the consumed electricity from the grid. This is monitored by a bidirectional meter which records the imported and exported energy. The project will help in generating savings and at the same time mitigate climate change.

Installation of the RE facility is complete. However, additional REC meters were procured and are still being installed. The target completion date is on February 2021.

b) Electric Cooperative – Owned Distributed Generation Facility

The Electric Cooperative-Owned Distributed Generation Facility (EC-DGF) is a program initiated by the Department of Energy – Office for Special Concerns (DOE-OSC). The EC-DGF program aims to empower all electric cooperatives to own renewable energy generation facilities, either wholly owned or partly owned through JV and other schemes.

The DOE-OSC is working closely with the NEA-REDD to educate the ECs on their rights in owning generation facilities as well as the limitations provided by the law. The two agencies are also conducting site visits and resource assessments to help the ECs in determining the renewable energy potentials in their franchise areas.

The two agencies conducted resource assessments on several Visayas and Mindanao ECs on December 2020. Some ECs assisted are SAMELCO I, ESAMELCO, NORSAMELCO, DORELCO, SOLECO, SOCOTECO II, BUSECO, LANECO, and MOELCI I.

Legal Services



• Issuance of Advisories and Memoranda

For the year, the Legal Services Office (LSO) issued series of advisories, taking into consideration the rapid spread of the Covid-19 cases all over the country which resulted to the imposition of community quarantine or "lockdown" over the entire Philippines. The said advisories informed the Electric Cooperatives (ECs) of the extended reglementary period of filing of petitions and appeals, complaints, motions, pleadings and other submission to the Administrative Committee (AdCom).

A total of three (3) legal advisories were issued on the 1) Rise of Covid-19 Infection dated 17 March 2020, 2) Extension of Enhanced Community Quarantine over Luzon on 13 April 2020, and Extension of Enhanced Community Quarantine over Metro Manila, Central Luzon, Calabarzon, and 3) "All other High Risk" Provinces in Luzon until 15 May 2020 dated 28 April 2020.

In addition, three (3) memoranda were prepared and disseminated to ECs during the pandemic lockdown:

1. Memo to ECs No. 2020-023 re. DOE Department Order No. 2020-04-0007 on Providing for Minimum Health Standards for Covid-19 Mitigation to DOE Personnel and its Workplace and Shared for Application to All Players and Stakeholders in the Entire Energy Industry dated 30 April 2020
2. Memo to ECs No. 2020-027 re. Waiver of Surcharges on Deferred Bills during the period of ECQ dated 07 May 2020
3. Memo to ECs No. 2020-028 re. DOE Advisory dated 07 May 2020 (Advisory on Providing Grace Period to All Power Sector Bills Falling Due During Enhanced Community Quarantine (ECQ) AS Extended Until 15 May 2020) dated 14 May 2020

• Participations in Seminars and Events

Likewise, NEA-LSO lawyers also served as resource persons to five seminars on Privacy Impact Awareness and Briefing on Data Protection, Capacitating Government Instrumentalities on the Citizen's Charter, PHILRECA Legal Officer Summit, and Leadership Development Series, Module 1 Batches 1 and 2.

• Preparation of Position Papers /Provision of Inputs on various House/Senate Bills and Resolutions

A total of 17 position papers/comments on various house/senate bills/resolutions affecting NEA and the ECs were provided such as:

a) Senate Bill

1. Senate Bill No. 1583 - "An Act Extending the Implementation of the Lifeline Rate, Amending for the Purpose Section 73 of R.A. No. 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA), as amended by the R.A. No. 10150"

b) House Bills

1. Bayanihan Act of 2020
2. House Bill No. 6060 - *"Pantawid Pamilyang Pilipino Program"*
3. HB No. 7051 - *"An Act Granting the Aggrupation of Electric Cooperatives a Preferential Right to Take Over Underperforming Electric Cooperatives, Amending for this Purpose R.A. No. 10531"*
4. HB No. 7052 - *"An Act Granting the NEA the Authority to Restructure, Reprice or Refinance Loans Granted to All ECs due to Non-Collection of Electricity Bills from End Consumers for the Period of the State Calamity due to the Coronavirus Disease until the Resumption of Normal Operations"*
5. HB No. 7058 - *"An Act Providing Government Assistance to Distribution Utilities and its Electricity End Users and Appropriating Funds Therefor"*
6. HB No. 7059 - *"An Act Extending the Implementation of the Lifeline Rate, Amending for the Purpose Section 73 of R.A. No. 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA) of 2011, as amended by R.A. No. 10150"*
7. HB No. 7060-*"An Act Promoting the Use of Microgrid Systems for the Total Electrification of Unserved and Underserved Areas"*
8. Proposed Bill *Establishing the Philippine Energy Research and Policy Institute (PERPI) particularly Section 15 about Endowment Fund*
9. HB No. 6970 or the *Balik Probinsya Incentives Act of 2020*; HB No. 7072 or the *Balik Probinsya, Bagong Pag-Asa Program as a Pillar of Balanced Regional Development*; HB No. 6762 or the *Balik Probinsya, Balik Pag-asa Act or BP 2020*; HB No. 7310 or the *Balik Probinsya Financial Assistance Fund to LGUs Act of 2020*; HB No. 7111 or the *Balik Probinsya Program Act of 2020*
10. HB No. 3247 - *"An Act Providing for Additional Insurance Coverage and Benefits for all Linemen and Other Power Line Workers and Other Related Purposes"*

c) House Resolutions

1. House Resolution No. 217 *"Investigation in Aid of Legislation on the Possible Privatization of Poorly-Performing ECs in Quezon Province"*
2. HOR Resolution No. 81 - *"Conduct Review and Assessment of the Performance of ECs in the Philippines"*
3. HOR Resolution No. 1018 - *"A Resolution Urging the House of Representatives Committee on Energy to Conduct Investigation in Aid of Legislation on the Possible Overlapping Functions and Powers of Task Force E-Power Mo (TFEM) Created Under DOE Department Order No. 2018-05-0010 and the Mandate of NEA on Total Electrification of the Country"*
4. HOR Resolution No. 1019 - *"A Resolution Urging the Committee on Energy to Conduct an Inquiry in Aid of Legislation on the Propriety of the Department of Energy Circular Entitled "Rationalizing the Utilization of ER 1-94 Funds by LGUs in Response to Covid-19 Public Health Emergency"*
5. HOR Resolution No. 1039 - *"Resolution Urging the NEA to Revisit NEA Memorandum No. 2019-045, Also Known as the Amended Enhanced Policy/Guidelines on ECs Overall Performance Assessment"*
6. Resolution No. 1025 *"Resolution Urging the Committee on Energy to Conduct an Inquiry in Aid of Legislation on the Step-in-Rights of the National Electrification Administration in Cases of Underperforming Electric Cooperatives under R.A. No. 10531"*

- **Attendance to Hearings**

Attended 13 Senate/Congressional Hearings on various bills/resolutions and four (4) Court Hearings on cases concerning/affecting NEA and the ECs such as:

a) Senate/Congressional Hearings

1. HB No. 468, HB No. 180, and HOR Resolution No. 81 - *Urging the Committees on Cooperatives Development and Energy to*

Conduct a Review and Assessment of the Performance of ECs in the Philippines in the Context of their Role in the Attainment of Total Rural Electrification and Economic Development in the Country

2. HB No. 6060 - *Reorganizing of ERC*
3. Senate Resolution Nos. 219, 223 and 227, SB No. 1473
4. *An Act Institutionalizing An Installment Payment Scheme on Basic Utility Bills During Calamities, and For Other Purposes to be Known as Three-Gives Law*
5. HOR Resolution No. 881 - *Creation of an Oversight Sub-Committee on Total Rural Electrification*, HOR Resolution No. 81 - *Conduct a Review and Assessment of the Performance of ECs in the Philippines in the Context of their Role in the Attainment of Total Rural Electrification and Economic Development in the Country*, and HOR Resolution No. 584 - *Urging the NEA to Assist DORECO to Improve its Services in Davao Oriental, 217 Calling for an Investigation In Aid of Legislation by the Appropriate Committee of the House of Representatives on the Possible Privatization of Poorly-Performing ECs in Quezon Province and House Bill No. 1194 - Mandating the Construction and Installation of Submarine Electric Cable Distribution 69kv Lines from Caramoan, Camarines Sur to Codon, San Andres NPC Substation, Province of atanduanes and Appropriating Funds Thereof*
6. HOR Committee Meeting on MINDA Affairs on 25 August 2020
7. SB No. 1583 - *Extending the Implementation of the Lifeline Rate*
8. HB No. 7059 - *Extending the Implementation of the Lifeline Rate*
9. HB No. 7143, SB No. 1583 - *Extending the Implementation of the Lifeline Rate*
10. HB No. 7060 - *Reorganizing of ERC*
11. HB Nos. 6970, 7072, 6762, 7310, 7111 - *Balik Probinsya Bills*
12. HB Nos. 472, 471, 3247 - *Establishing Lineman Training Academy and 7058 Providing Assistance to Distribution Utilities and its Electricity End Users*
13. HB Nos. 412, 2338, 3825, 4665 - *Pole Attachments Bills*

b) Court Hearing

1. Civil Case No. Ir-4176 - *"City of Iriga vs. CASURECO III"* on 9 January 2020
2. Civil Case No. Ir-4176 - *City of Iriga vs. CASURECO III"* on 05 February 2020
3. Civil Case No. Ir-4176 *"City of Iriga vs. CASURECO III"* on 26 June 2020
4. Civil Case No. 19-0542 *"Demetrio DV. Ellao, vs. BATELEC I"* RTC - Batangas City on 13 November 2020

- **Render of Legal Opinion**

NEA-LSO also rendered 20 Legal opinions on various letter-inquiries from ECs and NEA.



Administrative Committee



For the year, 24 out of the 25 administrative cases filed were approved and resolved by the NEA Board. , a

- **Court Decisions**

NEA was able to secure/obtain four (4) favorable court decisions from the Supreme Court and Court of Appeals for NEA, in partnership with the OSG and OGCC.

- a) **Supreme Court Decisions/Resolutions**

G.R. NO. 230705 - Edward M. Gasambelo vs. Roy M. Cordova Court of Appeals Resolution promulgated on 19 December 2016; Entry of Judgment dated 10 January 2018 become final and executory, *copy of which was received by NEA-LSO only on 21 July 2020, Petition was DENIED; with Entry of Judgment

- b) **Court of Appeals Decisions/Resolutions**

CA-G.R. SP NO. 159140 Nestor B. Salac, vs. Hon. Esperanza S. Paglinawan, Alvin Concepcion, NEA and PELCO I Decision promulgated on 27 November 2019, Resolution promulgated on 24 July 2020, Petition was DISMISSED, Motion for Reconsideration was DENIED for lack of merit

CA-G.R. SP NO. 161126 - GM Loreto P. Seares, Jr. vs. NEA Board, Decision promulgated on June 15, 2020, Resolution promulgated on 10 November 2020, Petition was DISMISSED, Motion for Reconsideration was DENIED (Appeal filed before the Supreme Court)

CA-G.R. SP NO. 158292 Juan S. Bandola, et al vs. NEA, et al, Resolution promulgated on May 8, 2019; Entry of Judgment dated 10 December 2019; Minutes Resolution dated 20 August 2020, Petition was DISMISSED, Motion for Reconsideration was DENIED, Become final and executory (Note: No appeal was filed before the Supreme Court, ENTRY OF JUDGMENT is now issued, the Court's Resolution dated 08 May 2019 become final and executory on

Internal Audit and Quality Standards Management

The internal audit function is an integral part of the Agency and assists the Management, the Board Audit Committee and the Board of Administrators in effectively discharging their responsibilities. Among others, internal audit encompasses the appraisal of the adequacy of internal controls, the conduct of management audit and the evaluation of the results of operations, focusing on the effectiveness of controls of operating systems and support services units/systems. The following are the highlights of the activities undertaken:

- **Financial/Operations Audit**

Audit of financial accounts were conducted on Petty Cash Fund, Pag-IBIG contributions and loans, PhilHealth contributions, and Hazard Pay to ascertain that the payments/expenses were actually incurred, properly documented, accounted and recorded in accordance with applicable government rules and regulations, and NEA policies and procedures. Monitoring and evaluation of previous audit recommendations for Due to BIR Account was likewise conducted. Also, evaluation/assessment of PHILRECA's Loan with NEA has been submitted to BAC for information.

- **Compliance Audit**

To ensure compliance to MANAP, guidelines, rules and regulations, three (3) Compliance Audits were conducted:

1. EC Operations – Financial Concerns under EC Audit Department (ECAD);
2. Requisition and Issuance of Office Supplies under Human Resources and Administration Department (HRAD) and;
3. Action Reply on Consumer Complaint under Institutional Development Department (IDD)

- **NEA's Quality Management System (QMS)**

Due to changes in the work environment brought about by Covid-19 pandemic, the office conducted for the first time, remote auditing through the use of new technologies like Zoom, email, and other online communication facilities to gather information, interview an auditee, and others. The results of Internal Quality Audit Report indicated the 36 positive findings, 27 opportunities for improvement



and zero (0) non-conformity for the period covered October 01, 2019 – September 30, 2020. In general, NEA properly maintained its established QMS and remained compliant in the implementation of the system to the requirements of ISO 9001:2015 Standard.

• Management Instructions and Special Audit

In aid of the performance assessment of the NEA management and its personnel to ensure adherence to policies or directives by the Management and BAC, the following activities/reports were undertaken:

1. Addendum to the Manual of Approvals re: Electronic Signature;
2. Assessment of Opportunities for Improvements (OFIs) based on ISO 9001:2015 Standards;
3. Validation of Departmental Scorecards for the 4th Quarter of 2019 and 1st Semester of 2020;
4. Report on NEA Management Compliance and Responses on COA – Audit Observation Memoranda;

• Formulation Review/Documentation of Systems and Procedures

Operating Policies and Procedures Manual for Internal Audit and Quality Standards Management was formulated to provide the internal auditors with practical guidance, tools and information for managing the internal audit activity and for planning, conducting and reporting on internal auditing assurance engagements.

Meanwhile, the Guidelines on Internal Audit Workflow under New Normal was revised to adapt to changes brought about by Covid-19 pandemic.

Also, to help determine if processes are efficient or if certain steps need to be eliminated, documentation of Existing Systems and Procedures for Evaluation and Approval of ECs’ request for Supplemental Work Plan and Supplemental Cash Operating Budget (COB) were reviewed and modified.



Regulatory Affairs

• Policy in the Conduct of Competitive Selection Process (CSP) of the EC’s Power Supply Agreement (PSA)”

The Regulatory Affairs Office (RAO) supervises, monitors and evaluates the 121 ECs’ power supply contracting as provided under NEA Memorandum No. 2017-003 on the Policy in the Conduct of CSP of the EC’s PSA. For 2020, RAO completed thorough review of the following ECs’ documents:



1. Power Supply Procurement Plan (PSPP) of 119 ECs;
2. Terms of Reference (TOR) of 16 ECs;
3. Notice to Proceed (NTP) with the conduct of CSP of 7 ECs;
4. Power Supply Agreement (PSA) of 5 ECs; and
5. Notice to Proceed (NTP) with the signing of PSA of 4 ECs.

Further, despite the restrictions in the conduct of mass gatherings, CSP activities of 17 ECs were observed through virtual conference.

Also, a total of six memoranda/advisories were issued to further strengthen the proper implementation of CSP and ECs’ unbundled rate, as follows:

1. Regulatory Advisory No. 2020-001 Extension of Deadline for Submission of Rates DET on March 23, 2020;
2. RA No. 2020-002 The Conduct of Competitive Selection Process Under the State of Community Quarantine on July 14, 2020;
3. Memo No. 2020-045 Energy Regulatory Commission Advisory dated July7, 2020 on September 3, 2020;
4. RA No. 2020-003 EC’s Online CSP Guidelines on October 2, 2020;
5. Memo No. 2020-052 ERC Advisory dated October 29, 2020 on October 30, 2020; and
6. RA No. 2020-004 Requirements for the Review of EC’s PSA under the EVOSS System on November 9, 2020.

• Review of ECs’ Unbundled Rate

Likewise, various reports that pertain to the supervision, monitoring, and evaluation of ECs in relation to rates setting were prepared and monitored:

1. ECs’ effective unbundled power rates and its comparative report;
2. RFSC implementation;
3. Summary of ECs’ loan condonation;
4. Status of ECs’ approved Over/Under Recoveries implementation;
5. Lifeline Rates of ECs;
6. Status of ECs’ Capex Application filed with ERC;
7. RSEC-WR Implementation Impact on ECs’ Operating Revenues for Residential Customers.

Corporate Planning

NEA, through the Corporate Planning Office (CPO), continued to adhere to the principle of good governance through the Performance Governance System. The department focused on strategy formulation and implementation of the Agency's Strategy Map and Scorecard. It also ensured the establishment, documentation, implementation and continual improvement of the agency's Quality Management System (QMS) as well as the evaluation and integration of the ECs Long-Term Development Plans and Annual Workplans.

- **Conduct of 2021 and Beyond Strategic Thinking Cum Conference**

From July 21 to 23, 2020, the 2021 and Beyond Strategic Thinking cum Conference was conducted and participated in by 65 NEA officials, the EC Allied Organizations and the Power Bloc Congressmen.

The activity was conducted virtually for the first time via Zoom application to comply with the requirements and observe the social distancing protocols. After the three-day conference, NEA was able to develop the Two-Year Sustainability Agenda which would serve as a guide in critical decision-making and to be able to adopt measures to mitigate risks and take advantage of opportunities.

- **Management of Corporate Governance Scorecard (CGS)**

The Corporate Governance Scorecard (CGS) is an instrument developed by the Governance Commission for GOCCs (GCG) to annually assess the Corporate Governance performance of GOCCs using a methodology benchmarked against the Principles of Corporate Governance of the Organisation for Economic Co-operation and Development (OECD) and the ASEAN Corporate Governance Scorecard. The CGS appraises each GOCC's governance policies and practices on Stakeholder Relationships, Disclosure and Transparency, and Responsibilities of the Board.

For 2020, NEA, through the concerted efforts of the different departments led by CPO in the coordination, preparation and consolidation of reports for validation by the GCG, was able to secure the 11th spot out of 80 Government-Owned and Controlled Corporations (GOCCs) in the 2019 CGS conducted by GCG with an assessment rating of 91.67 percent.

- **Cascading of Governance Initiatives**

To empower and enable the ECs to improve their sustainability performance and global competitiveness, the NEA's adherence to good governance was continued to be cascaded to the ECs nationwide through the introduction of Balanced Scorecard framework which offer better strategic planning, improved strategy communication and execution, and increased management information.

For the first quarter of 2020, prior to the passage of Republic Act 11469 or the "Bayanihan to Heal As One Act," two ECs were assisted in the Retooling of the Adoption of their Balanced Scorecard namely: PALECO and NUVELCO.



- **ISO 9001:2015 Certification**

Anchored on its Good Governance Agenda, the Agency was able to maintain the existing ISO 9001:2015 certification with the conduct of Re-certification Audit by TÜV Rheinland Philippines, Inc. on December 11, 2020 covering the scope "Provision of Financial, Institutional, Technical and Legal Assistance to the Electric Cooperatives (ECs) which in turn undertake power distribution on an area coverage basis."

- **2020 National Electric Cooperatives Distribution Development Plan (NECDDP)**

The 2020-2029 NECDDP is a compilation of Distribution Development Plans (DDPs) and Power Supply Procurement Plans (PSPPs) of 117 ECs. The compilation includes the Summary of EC's 10-year projected demand and power supply requirements, including the Competitive Selection Process (CSP) schedules. It also incorporates the Detailed Comparative Analysis of 2019 actual data on peak demand and system loss against 2019 DDP projections; Status of CAPEX Applications; and plans and programs of ECs per grid including proposed infrastructure.

This plan was submitted to the Department of Energy (DOE) on 30 September 2020, pursuant to Section 23 of EPIRA. The target was to ensure the provision of adequate, quality, reliable, secure and affordable supply of the electric power to the member-consumer owners.

- **Virtual Re-orientation on Enhanced-Integrated Computerized Planning Model (E-ICPM) to ECS**

Towards the attainment of set objectives and targets even during this time of pandemic, NEA sustained the mission of providing quality financial, institutional and technical assistances to the ECs.

Nine series of virtual re-orientation on e-ICPM were conducted to update the ECs on the development and enhancement of the model in line with the changes in the Electric Power Industry.

Priority was to ensure that the ECs FY 2021-2022 Workplan is complete and aligned with the ERC approved/applied Capital Expenditure (CAPEX) projects. The nine virtual Regional Re-orientation are as follows:

- September 1, 2020 – Region VII ECs
- September 15, 2020 – Regions IV-A and IV-B ECs
- September 24, 2020 – Region X
- October 6, 2020 – Regions I, II and CAR ECs
- October 8, 2020 – Regions CARAGA and XI ECs
- October 15, 2020 – Region III ECs
- October 22, 2020 – Regions V and VI ECs
- October 27, 2020 – Regions IX and XII ECs



Corporate and EC Training

The first three months of 2020 was truly remarkable for the NEA in terms of fulfilling the agenda to Intensify EC Capacity Building through the conduct of training programs for NEA and valued EC officials and employees based on the approved 2020 Training Calendar.

But the Covid-19 pandemic took the entire Philippines by surprise that NEA's normal operations came to a halt due to successive issuances and advisories of the government on lockdowns. The agency's plans and programs particularly the approved training activities were put on hold because of the health crisis.

Nevertheless, NETI, inspired by the quote of Ryan Reynolds that "Any crisis can be good. It wakes you up", believed that every crisis has a silver lining. With this mindset and as motivated by the Management, technology-based initiatives to mitigate the impacts of restrictions and protocols on the regular activities and meet the targets included in the Departmental Balanced Scorecard were adopted.

- **Established partnership**

The Asian Institute of Management (AIM), one of the leading international management institutions with access to knowledge and skills on business organizations, launched "Leading in Times of Crisis (LITC)" and "Effective Management in Turbulent Environment (EMTE)" online platform courses for EC General Managers and Department Managers to enhance competence of coop leaders and managers, arm them with essential tips, best practices, and strategies that they would need as they combat the different crises experienced by their organizations. Three batches of LITC with a total number of 101 participants and two batches with 81 participants of EMTE were conducted.

A Leadership Development Series was likewise conducted by a training provider accredited by the Civil Service Commission (CSC), and attended by 46 NEA Officials and Employees thru online platform.

- **Technological Innovations in Training Services**

The online learning technology became an opportunity for the agency to create new and more effective methods of delivering training services for NEA and ECs officials and employees. It was a timely chance to explore the full potential of different tools and software application in coming up with these innovative and enhanced procedures and processes, such as:

a). Conduct of Zoom-based Training Courses and Events

Beginning May 2020, 190 online training courses using Zoom application were conducted for 881 participants in order to continuously address the training needs of NEA and EC officials and employees.

b) Use of Google Forms: Online Training Pre-Registration Form

Using a single URL link, all training registration was done through the Google Form tool since it is a free-to-use platform. Responses for all training programs were recorded to a single online spreadsheet which can be accessed simultaneously to maximize productivity.

Online Payment Confirmation Form

This Google Form was created in order to manage the payments paid by ECs into a single platform instead of the multiple emails and chat threads, thereby increasing traceability of payments from multiple sources.

Online Training Evaluation Form

Likewise, gathering participants' evaluation and comments on the training was done via the Google Form platform. The use of this form has facilitated ease and speedy evaluation and processing of data and preparation of detailed reports that gained praises from the AIM.

c) Cloud-based Office Productivity (Google Docs)

To collaborate and work-simultaneously on important documents and spreadsheets that require it, aimed at reducing confusion and redundancy of work files, the utilization of free cloud office productivity tools was adopted.

This initiative of using free-cloud applications were temporary stopgap that was designed to smoothen the transition to full/enterprise-grade application system. It also aimed to guarantee data-privacy and cyber security concerns.

- **Other Programs/Activities**

Even in the midst of the Covid-19 crisis, NEA ensured to intensify the capacity-building programs for NEA and the ECs, whether face-to-face- or virtual and that skills development activities were still implemented.

Despite the current situation, the following programs/ activities were accomplished and undertaken:

1. Conduct of Training Needs Analysis (TNA) for NEA and ECs to come-up with the Approved 2020 Training Programs Calendar
2. Presentation of the NEA 's Training Programs to NEA-BOA for approval and implementation.
3. Execution of the 2020 Business Continuity Plan and completion of the NEA and ECs Preparedness Assessment on Learning and Development Survey
4. Subscription to Zoom Application for the conduct of Web Seminars to address the need to conduct seminars for NEA and EC officials and employees
5. Carrying out of the approved recalibrated training programs from 21 to 33 with 880 participants to 1,453 participants
6. Surpassing the Target Generated Income from PhP1.5M to P1,961,733.98.
7. Conduct and assessment of the effectiveness of the trainings implemented through NETI Training Impact Assessment (TIA) Survey
8. Facilitation of the establishment of EC TESDA Assessment Center
9. Coordination with PHILRECA for the establishment of the National Rural Electrification Academy (NREA)
10. Amendment of the Policy on Local and Foreign Scholarships



Information Technology and Communication Services

- **Consumer Connections**

Year 2020 was a very challenging year for the rural electrification program. NEA and ECs continued to grapple with the effects of disasters that occurred and hit the country, affecting operations and delivery of service to member-consumer-owners (MCOs).

In spite of that, the level of consumer connections grew by 5% or about 522,905 additional consumer connections were served. This propelled the number of consumer connections to 14.253 million as of yearend. Another milestone indeed in the history of the RE program as one million consumer connections were added in just a year of operation.

- **100% accomplishment vs 2020 target**

With ECs' steadfast commitment and perseverance under NEA's guidance, the consolidated reports resulted to 522,905 new connections equivalent to 114% accomplishment rate surpassing the target connection of 460,000 new consumers..

On a per major island basis, 204,484 or 39% of new consumer connections emanated from Luzon, 139,524 or 27% from the Visayas and 178,897 or 34% from Mindanao.

- **Statistical Profile**

As the agency's repository of vast information on EC operation, the statistical profile is maintained and kept updated given the set deadlines on DET submission. For the year, 6,975 DETs were received, processed and integrated in the profiles. This would then result to the generation of desired information as requested, visuals for HESA statistical board and other purposes such as subject for press releases and dissemination.

- **Database Management**

To document the accomplishments on pursuing the electrification of the countryside, the EC energization profiles were continually maintained and updated. For the year, 2,800 DETs were incorporated into the energization profile to generate the present status of program implementation. As need arises and upon request, level of energization can be presented in various geographical level.

In consonance with the total electrification program of the Department of Energy (DOE) based on 2015 Census of Population and Housing, the computation of level of energization is adjusted as follows:

2015 Census of Population and Housing				Additional consumers in cities and municipalities that registered 100% energization based on the 2015 Census	Total served consumers
Potential	Served	%	Unserved		
14,339,119	12,761,447	89	1,577,672	1,430,435	14,191,882

Accordingly, there were 14,339,119 potential consumer connections within the coverage areas of the ECs. Out of said potential, 12,788,609 have already been served by the ECs leaving unserved consumers of 1,550,510. In cities and municipalities which registered 100% energization, additional 1,464,444 consumers were likewise being served, resulting to a total of 14,253,053 consumer connections served at end of 2020. It is important to note that this scenario is the result of the fixed number of potential connection, an assumption applied with regard to the total electrification target of DOE.

- **Publications of Rural Electrification Chronicle 2017-2019 and Archiving**

The 2017-2019 Rural Electrification Chronicle is considered as a special edition as it featured the 50th year of the RE program. In this edition, NEA shared the limelight with the 121 ECs operating nationwide by showcasing the vital indicators on the status of operations and accomplishments for the last 50 years capsulized in the last three (3) years.



- **Status reports**

For the year, 11 monthly reports on status of energization, six (6) quarterly statistical reports and nine (9) power market profiles were generated and released based from the 100% of DETs received and processed. These reports are considered as major issuances of the agency for the vast information on EC operation that can be sourced from said reports.

In addition, 962 reports and requirements were prepared and released in response to 100% of requests received. These include quarterly requests from regional offices of PSA and NEDA and other monitoring agencies. Reports and requirements provided were EC factsheets, energization profiles, level of sales and consumption on regional level and a lot more.

- **2019 EC Fact sheets**

One of the most requested issuances is the EC fact sheet as it reflects a lot as far as EC operation and level of accomplishments are concerned.

During the year, the 2019 EC fact sheets were reviewed, finalized and compiled, ready to serve its purpose of providing bases for better policies and guidelines towards improved EC operations for rural development and satisfied member consumer owners.

- **Five Year EC Statistical Profiles**

As repository of vast data and information on RE program, it is imperative to maintain an updated EC statistical profiles. Thus in 2020, another set of five-year statistical profiles were reviewed, compiled and archived in the database. This made them accessible and readily available in case of need.

- **2019 EC Size Classification**

The EC size classification is a major management tool and regularly reviewed annually. The size classification also forms part of the EC overall performance assessment.

As a basic management tool, this report determines the extent of EC operations as it connotes the number of consumer connections served, kms of lines constructed and maintained and volume of kwh sales managed. As a result, the size classification determines the financial packages an EC can offer and afford to provide its management and personnel.

- **Management Issuances**

The compilation of management issuances comprising of memoranda, office orders and advisories is being done on an annual basis for each calendar year. This compilation serves as a readily available source of information on various issues and personalities relevant to the RE program as well as bases for legal purposes

- **Records Management**

NEA's adoption of alternative working arrangements resulted to disruption of set procedures on handling incoming and outgoing documents. Thus, advisories were issued on the adjustment in delivery schedule of outgoing documents as well as the suspension of implementation of policy on tracked documents.

- **Incoming documents**

The alternative working arrangements posed challenges in NEA's business continuity that records management had to cope with. Options were explored in order to deliver the documents to proper departments and offices, thus, delivery of services to ECs and stakeholders will never be imperiled even in times of pandemic.

With due observance of imposed health protocols and limited manpower, the Records Management Unit (RMU) were able to dispatch 15,160 documents or 100% of documents received and processed to concerned departments and offices.

- **Outgoing documents**

As most offices observe alternative work arrangements, delivery of documents and other printed materials was also hampered. As per advisory issued, the departments and offices were advised to send electronic copy of documents they intend to submit to a particular agency/office. Due to limited workforce, delivery of 5,000 documents to external offices was scheduled on Wednesdays and Thursdays only.

With all the limitations, 7,083 documents were mailed or sent through service courier. In summary, 100% of outgoing documents were processed and released externally.

- **Status reports**

As required, two (2) compliance reports on reportorial requirements covering the ECs' submission of audited financial statements and corporate operating budget and one (1) status report on tracked documents were prepared, validated and submitted to management.

The NEA's rapid adoption of digital technologies in terms of web presence, ICT infrastructure, virtual connectivity and communication implementation and deployment helped the agency lower the impact of the Covid-19 pandemic to the organization and its frontline services deployment geared towards achieving its goals of sustaining the mandate of rural electrification for 2020.

- **NEA Web Presence**

In 2020, NEA's development of an enhanced and compliant website, brought in the second highest rating in the EC Client Satisfaction Survey conducted in 2019 for information and technology. Despite the pandemic, the demand for virtual web activities to sustain information publication and exchange about the NEA was achieved. For the year, a total of 857 web administration activities that include new web innovation such as developing a centralized web based facility for queries/messages in the website as additional mechanism to reach out to stakeholders and to keep them engaged and updated to information pertaining to rural electrification.

Publication of Virtual Meeting schedule in the website was also included to inform the participants of the schedule of online meetings. Consistent monitoring of the flow of request and routing to the NEA target recipients served as added quick information channel of NEA to serve its constituents in the rural areas in bringing up to date information/action/intervention to requests. NEA website registered an average of 6,254 visits per week catering to stakeholders, academe, students, ordinary citizens locally and abroad.

To support the Human Resource Information System (HRIS) application that includes a work attendance facility for employees working from home (WFH), the Employees Web Portal was on boarded and linked on the NEA website .

Transparency Seal and GCG Disclosure were maintained and updated in accordance with the requirements and timeline set in preparation for the periodic audit of the IATF/GCG as one of the pre-requisites for the grant of the Performance Based Bonus (PBB). RE news and updates were constantly and inter-actively published as provided.

- **Internet connectivity and Local Area Network implementation in the New Normal**

For NEA, the Covid-19 pandemic has been highly disruptive. This has sparked the need to rethink of new ICT current practices and embraced innovation with many realistic and doable actions under a limited resource to immediately respond to the objective of completely reshaping the way the organization operates in real time.

The two pronged approach of strengthening and securing the NEA network system while reinforcing and sustaining connectivity was strategically used to address the challenges at hand through the following activities:

1. NEA Security Firewall and end gate security was stiffened as well as installation of security web certificate for the HRIS was installed to secure the connection of the Web Portal/site for employees.
2. ICT Help Desk System for maintenance was operational on a limited scale due to scarcity of manpower as a result of the changes in scheduling of the Skeletal Workforce(SKF)and limited transportation. However, one hundred percent 100% implementation was effected by fully attending to the 386 employees' request online and off-line after the pandemic.
3. Actual mapping of internet signal from basement to penthouse (floor to floor) to determine the areas where internet signal is reliable and strong to guide the end-users on the specific areas to better hold their virtual conferences. The shift to direct wired connections of workstations for a reliable and secured connections was also made as one of the best options. Implemented strict monitoring of the NEA Firewall Security System and Anti-Virus endgate protection to adhere with DICT's Cyber Security Bureau's requirement for government agencies.
4. Constant collaboration through virtual meetings with the NEA external internet Service Providers (ISPs)and PABX, mobile handset Relationship Managers (RMs) were taken cared of to prevent untimely redirection/disconnection and ensure seamless connectivity as the demand for high internet availability is most needed by every end-user off-line and online.
5. Provision of Virtual Private Network (VPN) connection to NEA Financial application as the eNGAS for real time and secured processing of transactions during online transactions and WFH connectivity.
6. Provided the technology platform and technical assistance, hosting, communication services for the overall Virtual Conferencing/meeting/events/regular HESA convocation and other activities of NEA.



- **NEA Business Intelligence Technology (NEA-BIT)**

Technical assistance in the procurement of the NEA BIT Operations and Maintenance (O & Ms)/Managed Services as well as the Platform Infrastructure as a Service (PaaS) subscription contract for Cloud infrastructure was provided to ensure normal operations were anticipated early first quarter of 2021.

Submission of the ECs FIT DETs went into place through email submission to complete the data for the performance assessment of the ECs. Under the current scenario, NEA BIT data is currently administered individually by the FIT-PR Data Governance point person/data manager. NEA BIT submission of ECs was continuing through email to the different FIT-PR for processing.

- **NEA Information Systems (IS) Support and Planning and ICT Procurement**

Assistance on the NEA administrative systems were provided by migrating the 290 NEA employees BIOMETRICS data to the new HRIS system in coordination with HRAD staff. Continuing support to the day to day operations of the NEA e-NGAS and Document Management System (DMS) were provided as well as the provision of VPN directly to the application for seamless connectivity to cater to online operations.

Coordination with provider on the continuation of training and customization for the Procurement Management Information System (PMIS) in collaboration with GSD. NEA Official Receipt (OR) Processing system was configured and aligned to respond to the new the online system requirements.

Moreover, formulation of the NEA information Technology Strategic Plan and submission to DICT as a requirement for the acquisition of ICT resources as indicated in the three - year ISSP was completed as well as the finalization of the NEA ICT Procurement Management Plan (PMPP). Participation in the ICT Resource acquisition process as member of the TWG for ICT as well as the preparation of the Terms of Reference (TOR) for ICT projects and issuance of technical specifications were provided.

- **NEA Technology Upgrading**

NEA Firewall appliance was acquired primarily for redundancy and back up purposes for the agency's existing ICT Security Firewall. Acquisition of additional Server for the data center for the agency's departmental back-ups and Virtual LAN support were undertaken. Processing of the procurement and technical evaluation of laptops for the NEA management was facilitated, as well as the restoration of defective laptops and desk tops for use in the operations.

To align with IATFs/CSC requirements on social distancing in the workplace, general physical re-designing, re-cabling and alignment of NEA's structured cabling and PABX telephony Local Area Network cabling re-location and transfer were made to attune to the new workplace layout. Installation of additional hotline for NEA Emergency communication was also provided for easy communication and response with stakeholders and the general public.

Remote monitoring of NEA Data Center and Security during normal operations and WFH Status.



Human Resources and Administration

The Human Resources and Administration Department (HRAD) provided continuous and uninterrupted support services to all employees, other building occupants and stakeholders amidst the global pandemic that adversely affected the usual way work was done.

The year 2020 had been a trying year that tested the resiliency and flexibility of all employees. Hence, the HRAD crafted several policies, guidelines, programs and innovations to ease the smooth transition of everyone from the traditional normal to the new normal environment.

- **Mitigation of Covid-19 Pandemic in the Workplace**

One of the priorities of the NEA was the safety and well-being of all employees and other building occupants through the institution and implementation of mitigation measures to prevent the spread of the COVID-19 virus. Management initiatives were effected and monitored including innovations by HRAD. A Covid-19 Mitigation Plan, Business Process and Workplace Re-engineering were put into place anchored on the government's minimum health standards, protocols and policies.

Throughout the outbreak of the pandemic and quarantine measures implemented in the country, the following were introduced and employed such as the Hybrid (Alternative) Work Arrangement, Work-From-Home (WFH) and Remuneration Framework, Mental Health Program, Covid-19 Response Protocol related guidelines and policies such as Policy on the Use of Motor Vehicles; provision of Service Vehicle/Shuttle Services to NEA officials and issuance of PPEs and medical supplies to all employees and service partners.

Workplace Reengineering such as installation of Covid-19 signages on the building, prescribed physical distancing of working areas, Sanitation Stations; Non-Contact Temperature Scanning and Hand Sanitation Station, Isolation Room were done.

Business Process Reengineering innovations such as the No Permit, No Entry Policy, two-day SWF reporting of employees and other building occupants, Internal Guidelines on Personnel Acquisition and Promotion Selection Process, Appointments & Other HR Actions for the Period of State of Public Health Emergency due to Covid-19 Pandemic, among others.

- **Human Resource Information System**

One of the highlights of the Business Process Reengineering innovation which was an offshoot of the Hybrid (Alternative) Work Arrangement was the launching of the online Attendance Log and the Online Competency Assessment (OCAS) where the annual competency assessment was conducted. These were realized thru the Human Resource Information System (HRIS) linked to the NEA Employees Portal and embedded in the NEA website. The portal was created by the HR group for easy access of all employees and contactless process/transactions.

- **Competency Assessment**

An online competency assessment for 2020 was conducted to gauge the number of employees who meet the required competencies of their positions and/or actual duties and responsibilities. The result showed that the percentage of employees with required competencies met was at 71.68%, an increase of 4.19% from the 2019 level of 67.49%.

- **Organizational Movements**

Talent sharing of personnel to offices/departments with critical functions was facilitated to beef up the manpower deficiency. The personnel acquisition/HRMPSB processes such as evaluation, interview and online administration of IQ examination were conducted through virtual and social media platforms. Through these initiatives, the acquisition process was accelerated which resulted to the addition of 26 hires.



Likewise, there were 36 employees promoted; 13 project officers were signed-up and nine management consultants were engaged. Meanwhile, there were 20 employees who were separated from service, 13 who retired and seven who resigned.

• Benefits, Welfare and Wellness

In line with the CSC Resolution No. 010112, MC No. 01, s. 2001 and pursuant to NEA-BOA Resolution No. 83, s. 2004, the NEA-Program on Awards and Incentives for Service Excellence (NEA-PRAISE) committee has formulated guidelines to promote continuous opportunity for professional growth and upliftment of morale of NEA employees through the Agency's system of giving corporate awards and incentives. Implementation of which was done on the second semester of the year.

The employees' convocation and flag ceremonies was conducted bi-monthly through the virtual and social platform for the continuous information dissemination of the latest news and information and to adhere to the IATF guidelines on social gatherings.

Surveys were also conducted in order to generate feedback on pressing issues and concerns and gauge their opinions and sentimentalities in order for the Management to address it through the annual NEA Employee Satisfaction Survey and other related surveys related to the Covid-19 protocols and safety.

• Outreach Programs

The HRAD together with the SAMAKAREN (Employees' Union), spearheaded one of the the Agency's corporate best practices, the Corporate Social Responsibility (CSR) Program through the conduct of Outreach Programs: (1) provision of Financial Assistance to the service providers: DBPSC Manpower Personnel, D' Triumph Janitorial Services and Alexis Security Guards and (2) donation of medical PPEs to the medical frontliners in three major hospitals in Quezon City: Lung Center of the Philippines, East Avenue Medical Center and National Kidney and Transplant Institute.

NEA has also acted as conduit of the Philippine Rural Electric Cooperatives Association (Philreca) in its Outreach Programs for the agency's service partners.

• Government Energy Management Program

The HRAD facilitated the implementation and monitoring of various energy conservation measures in compliance to the Government Management Energy Program (GEMP).

For the collective efforts of all employees, NEA was given a Recognition Award for being an Energy Efficient Government Agency by the Department of Energy during the National Energy Consciousness Month in December.

• General Services

In order to be responsive to the challenges of the covid-19 threat, the General Services Division had continuously formulated policies, plan and programs related to the reengineering, refurbishment and maintenance of the building. At the same time, it has undertaken major projects to improve corporate image of the agency; sustained efficient delivery of services and utilities; carried-out procurement

and management of properties and supplies and equipment and elevated transport services to officials and employees. The highlights of the projects and activities for 2020 are the following:

- a. Repainting of the Exterior Building Wall and refurbishment of the NEA Marker;
- b. Installation of two (2) Passenger Elevators;
- c. Installation of panaflex building signages to boost visibility;
- d. Preventive Maintenance of Genset;
- e. Repair and upgrading of the Fire Detection and Alarm System;
- f. Waterproofing of the Roof Deck;
- g. Replacement of Broken Green Glasses;
- h. Installation of the Materials Recovery Facility (MRF) for solid waste
- i. Improvement of the NEA Façade;
- j. Conduct of Annual Preventive Maintenance and other vehicular repairs for NEA Motor Vehicles;
- k. Preparation of Terms and Reference (TOR) for the Procurement of Fuel, Oil, Lubricants and Other Services;
- l. Procurement of two (2) units motor vehicles; and
- m. Securing of Annual registration and insurance of NEA Motor Vehicles

The procurement process was made feasible through the utilization of virtual and social media platform and various messaging applications. The GSD was able to accomplish one hundred six (106) non-bidding procurements, six (6) public bidding procurement and two (2) early procurement activities to deliver and issue requested goods and services to concerned offices.

Likewise, the HRAD was able to prepare, submit and post reports, documentary requirements and other compliances to various offices and governing agencies such as the DOE, CSC, DBM, GCG, OP, GPPB, QCESU and other government institutions as needed. These included:

- a. Annual Procurement Plan for Non-Common Use Supplies & Equipment (APP non CSE) for FY 2020;
- b. Agency Procurement Compliance Performance Indicators (APCPI) for FY2019;
- c. Procurement Monitoring Reports (PMR);
- d. Annual Procurement Plan for Common-Use Supplies & Equipment (APP-CSE) for FY2021;
- e. Physical Count of Property, Plant & Equipment (RPCPE);
- f. Physical Count of Inventories (RPCI) for 2nd Semester of FY2019 and 1st Semester of 2021;
- g. Indicative APP non CSE for FY2021;
- h. Invitation to Bid for public bidding and Request for Quotation for non-bidding procurements;
- i. Agency Procurement and Compliance Performance Indicator (APCPI);
- j. Bids and Awards Committee Resolutions (57);
- k. Compliance to COA AOMs;
- l. Weekly Report to DOE on COVID-19 Response Protocol compliances;
- m. COVID-19 Status in the Workplace; and
- n. Covid-19 Workplace Monitoring and Case Report.



Performance Assessment and Special Studies

Pursuant to chapter II Section 5 (l) of Republic Act No. 10531 and Rule IV Section 19 and 20 of its Implementing Rules and Regulations, NEA is required to submit quarterly reporting on the EC compliance to key performance standards as well as the semestral report on NEA Initiatives and Activities on Rural Electrification Program to the Joint Congressional Energy Commission of Congress and the Department of Energy.

For 2020, the NEA released the 2019 EC Overall Performance Assessment and EC Size Classification for 2019 operation. The results of these serve as determinants of EC credit worthiness, level of development, protection, empowerment and satisfaction of the member-consumer-owners as well as bases for crafting performance incentive mechanisms for ECs and promote accountability and responsibility in ECs' compliances and fiduciary obligations.

• 2019 EC Overall Performance Assessment and EC Size Classification

A new set of criteria for the Enhanced Policy/Guidelines on EC Overall Performance Assessment under Memorandum No. 2019 - 045 was applied in the evaluation of the 2019 EC performance. The new parameters cover financial/audit (25 points), institutional/governance (30 points), technical (20 points) and the level of energization with 20 points. The remaining 5 points was allotted in the submission of reportorial requirements as these are the sources of operational data and information which are essential in the evaluation of EC operation.

The AAA rating is the highest score given by the NEA to ECs that indicates the electric distribution utilities' full compliance. The D rating is the lowest. Results of the said assessment also showed that 85 percent or a total of 103 out of the 121 ECs have notched either AAA, AA or A status. The remaining 18 ECs were appraised as Category B (4 ECs), C (8 ECs) or D (6 ECs).

Further, in the last assessment on the EC classification by size that measured the average three years data on the volume of business of ECs, results showed that 72 ECs were Mega Large and 26 were Extra Large. ECs under Large, Medium and Small remained at 17, two (2) and four (4), respectively.

Six (6) ECs expanded their power market coverage resulting to the improvement of their size classification from Extra Large to Mega Large. These include ZAMECO II, OMECO, SORECO I, ILECO III, ESAMELCO and MAGELCO. The final assessment was released under Memorandum to EC No. 2020-057.

2019 EC OVERALL PERFORMANCE RATING RESULT						
Overall Point Score (%)	Adjectival Rating	EC Category	2019		2018	
			No. of ECs	% to Total	No. of ECs	% to Total
95 to 100	Highest	AAA	85	70	87	72
90 to 94	High	AA	11	9	8	7
85 to 89	Good	A	7	6	7	6
75 to 84	Average	B	4	3	5	4
50 to 74	Low	C	8	7	7	6
Below 50	Poor	D	6	5	7	6
Total			121	100	121	100

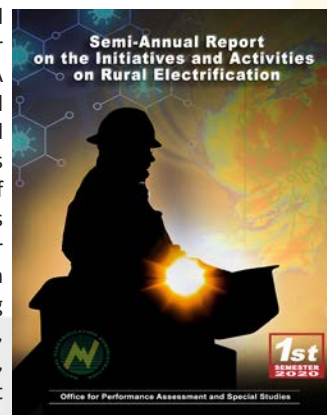
• Compliance Report on the Performance of ECs for 4Q of 2019, 1Q and 2Q 2020

ECs were also assessed quarterly to measure the level of compliance to financial, technical and institutional performance parameters and standards. Compliances are defined by color having Green as the most compliant with 100%. This is to ensure early detection of adverse financial condition to serve as triggers for NEA interventions; institute preventive, remedial and mitigating measures prior to being categorized as ailing EC; implement alternative options for the ailing ECs.

For 2020, the NEA Board of Administrators confirmed and approved the 4th quarter 2019 and the 1st and 2nd quarters 2020 EC compliances. For the 2nd quarter of 2020, 36 ECs were classified as Green, 71 as Yellow 1 and 7 ECs each for Classes Yellow 2 and Red.

• NEA Initiatives and Activities on Rural Electrification

The NEA also released the 2nd Semester 2019 and 1st Semester 2020 Semi-Annual Reports on NEA Initiatives and Activities for Rural Electrification. This highlighted the services of NEA to the ECs and the results and impact of these interventions. The services included are the sitio and consumer electrification, subsidy and loan management, capacity building program, issuance of policies, guidelines and procedures, renewable energy development and assistance to ECs under private sector participations and assistance to underperforming and ailing ECs. The interventions are all contributory to the promotion of sustainable development through rural electrification and empowerment of the ECs to become globally competitive electric distribution utilities.



• Policy for the Classification of ECs and Guidelines for the Declaration and Graduation of Ailing ECs

In response to the needs and requirements of the changing energy environment, a new policy was issued on the classification of ECs through Memorandum to EC No. 2020-049. The amendments and/or additional provisions were:

- Inclusion of payments to Transmission/Sub-transmission utilities and payments of loans to NEA, banks and other financial institutions in addition to payments to generation and transmission companies in the parameters under Account Payable
- Inclusion of Reliability Indices (SAIDI and SAIFI) as one of the evaluation parameters
- Enumeration of NEA's interventions based on the assessment results
- Undertaking of NEA comprehensive audit after 180 days but not later than 270 days after the implementation of the Operation Improvement Plan (OIP)
- Entry of partnership with EC National/Regional Organization other than partnership with private sector investor in the operation and/or management of ailing ECs
- Inclusion of the guidelines on the graduation or delisting of an ailing ECs This policy will be used in the evaluation of the 2021 quarterly EC operation

The Guidelines on the declaration and graduation of ailing ECs were also formulated identifying the procedures to undertake prior to the declaration of the EC as an "ailing" EC. In the event of improvement of performance, a set of criteria was also developed as a mechanism to follow in the graduation or delisting of an EC from being an ailing EC.

• Summary Checker of EC Individual Assessment

To facilitate fast and easy retrieval of the EC individual assessment a system called Summary Checker has been developed. This became an effective report retrieval and response strategy during the EC reconsideration period. The output was also used as attachment when NEA released the tentative performance assessment that promote confidentiality of the result of the ECs' individual assessment.

• Protocols done during the Covid 19 Pandemic:

To ensure continuous delivery of NEA services to the ECs and other stakeholders during the Covid-19 Pandemic, the following have been undertaken:

- Personnel observed two alternative work schemes, the Skeletal and Work from Home. Meetings, consultations and conferences with other NEA units and ECs were conducted virtually to discuss and resolve issues and concerns. These have been effectively practised during the period of EC overall performance assessment. Exchanges of communications and submissions were done through electronic mail and through social media such as Viber, Messenger among others.
- Memoranda to ECs on the extension of the submission of Reportorial Requirements under Memo Nos. 2020-013 and 2020-020 were also issued.

Corporate Communications

The year 2020 had been a productive one for the Corporate Communications and Social Marketing Office (CCSMO) in terms of promoting NEA as an institution that is fully committed to its mandate of electrifying the countryside. Despite the Covid-19 pandemic and varying quarantine situations, the department undertook strategies and initiatives to further increase information awareness on NEA and the Rural Electrification Program (REP) of the various publics that include the National Government, Legislative and Regulatory bodies, Media, Electric Cooperatives (ECs), and the Consumer Groups.

• Social Media Management

In the aggressive promotion of the Agency and the REP, the social media pages of the Agency were actively utilized through posting of relevant contents such as e-cards, news, photo and video releases which include the “New Normal Work Life at NEA” and the “*Buhay NEA sa Panahon ng Pandemya*”. These videos were produced to promote the minimum health standards for Covid-19 mitigation to NEA personnel and its workplace.

Facebook Hits column was added to keep track of the online engagement generated from post/s including netizen reactions. The Agency’s official Facebook page (@OfficialNEA) has reached 25,875 likes and 27,022 followers while NEA’s official Twitter account (@nea_ph) attained 210 followers.

In addition, the NEA Youtube channel was relaunched to further intensify the promotion of the Agency’s programs and milestones. The channel has reached 302 subscribers as of December 31, 2020.

• Media Relations Strengthening

To further strengthen communication link with the media and other energy stakeholders, media releases on issues and concerns affecting NEA, the ECs and the RE Program were prepared as warranted and sent to tri-media and uploaded in the NEA website for public information.

In this initiative, the Agency saved an amount of more than PHP 2.3M on publicity and advertisement from the accommodation of various news desks which published the articles for free. While, press briefings and media conferences were facilitated to further disseminate news on NEA and ECs activities and boost relations with the media partners.

• Freedom of Information (FOI) Facility Management

To provide NEA’s various publics with a ready facility to access information about the Agency and the REP, the FOI facility was established in 2017 in compliance with Executive Order No. 2



which was approved on July 23, 2018. FOI is also part of the Good Governance Conditions (GGCs) based on Administrative Order No. 25, series of 2011.

For 2020, a total of Four requests for information was facilitated. Quarterly and semi-annual reports were submitted to the Presidential Communication Operations Office (PCOO) and uploaded on the NEA website which merited a Certificate of Compliance.

In addition, the agency was cited as the Second Runner Up FOI Champion which was given during the 2020 FOI Awards.

• Customer Satisfaction Survey

In its commitment to improve the delivery of quality service to its partner ECs, NEA conducted the Customer Satisfaction Survey (CSS), through Market Relevance Corporation, a Third Party Service Provider. The survey was done for 121 respondents composed of 105 General Managers, 10 Technical Managers and 6 Finance Managers. The survey showed that NEA generated a Very Satisfied rating of 100% from ECs, which was consistently observed across Luzon, Visayas, and Mindanao regions.

The CSS is among the strategic measures of the Performance Scorecard of NEA which was given Five (5) points by the Governance Commission for GOCCs (GCG) validation.

• IEC Campaign

To increase the awareness of the general public on RE, the ECs and NEA’s plans and programs, CCSMO in coordination with the Office of the Performance Assessment and Special Studies (OPASS), facilitated the production of the In Focus Magazine that featured outstanding ECs. For the maiden issue of the magazine, three ECs namely TARELCO I, CEBECO III and ASELCO were showcased.

In addition, various promotional collaterals were prepared and produced in support of the agency’s goals of a well-informed stakeholders.

Requests of 20 ECs for the NEA Corner in their respective newsletters were facilitated. A Photo Gallery aptly called Five Decades of Rural Electrification was installed at the NEA Ground Floor Lobby Likewise, a total of 38 AVPs on the RE Program and Employees Retirement Tribute video were prepared and showcased during Monday HESA Convocations..

Significant publications were also produced that include the Annual Report, EnerNEA, and primers on NEA and the ECs that totalled to 17 information materials.

Also, corporate calendars were printed and distributed to various publics to make known NEA’s programs and projects in pursuit of countryside development.



	REGIONS/ ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/ CITIES		B A R A N G A Y S					CONNECTIONS					
			Coverage*/ Energized	%	Potential*	Ener- gized/ Com- pleted	%	Unener- gized	Based on 2015 Census					Add'l Con- nections in cities/ municipalities with 100% energization	Total Served
									Potential	Served	%	Unserved	%		
REGION I (ILOCOS REGION)															
1	Ilocos Norte Electric Cooperative, Inc.	INEC	23	100	559	559	100	-	139,336	138,492	99	844	1	34,380	172,872
2	Ilocos Sur Electric Cooperative, Inc.	ISECO	34	100	768	768	100	-	157,043	156,959	99	84	1	42,324	199,283
3	La Union Electric Cooperative, Inc.	LUELCO	18	100	520	520	100	-	146,393	145,253	99	1,140	1	15,719	160,972
4	Pangasinan I Electric Cooperative, Inc.	PANELCO I	9	100	192	192	100	-	90,717	89,785	99	932	1	3,099	92,884
5	Central Pangasinan Electric Cooperative, Inc.	CENPELCO	15	100	553	553	100	-	248,553	247,469	99	1,084	1	21,361	268,830
6	Pangasinan III Electric Cooperative, Inc.	PANELCO III	17	100	426	426	100	-	199,903	195,166	98	4,737	2	13,402	208,568
	Sub-Total		116	100	3,018	3,018	100	-	981,945	973,124	99	8,821	1	130,285	1,103,409
REGION II (CAGAYAN VALLEY)															
7	Batanes Electric Cooperative, Inc.	BATANELCO	6	100	29	29	100	-	4,761	4,761	100	-	-	2,085	6,846
8	Cagayan I Electric Cooperative, Inc.	CAGELCO I	12	100	376	376	100	-	143,095	136,901	96	6,194	4	22,885	159,786
9	Cagayan II Electric Cooperative, Inc.	CAGELCO II	21	100	510	510	100	-	140,857	131,050	93	9,807	7	6,505	137,555
10	Isabela I Electric Cooperative, Inc.	ISELCO I	15	100	484	484	100	-	190,373	189,399	99	974	1	36,698	226,097
11	Isabela II Electric Cooperative, Inc.	ISELCO II	21	100	545	545	100	-	176,779	168,197	95	8,582	5	25,261	193,458
12	Nueva Vizcaya Electric Cooperative, Inc.	NUVELCO	15	100	275	275	100	-	111,340	103,213	93	8,127	7	9,346	112,559
13	Quirino Electric Cooperative, Inc.	QUIRELCO	6	100	150	150	100	-	47,390	46,448	98	942	2	11,911	58,359
	Sub-Total		96	100	2,369	2,369	100	-	814,595	779,969	96	34,626	4	114,691	894,660
CORDILLERA ADMINISTRATIVE REGION (CAR)															
14	Abra Electric Cooperative, Inc.	ABRECO	27	100	303	303	100	-	53,062	50,774	96	2,288	4	7,656	58,430
15	Benguet Electric Cooperative, Inc.	BENECO	14	100	269	269	100	-	196,825	181,083	92	15,742	8	7,724	188,807
16	Ifugao Electric Cooperative, Inc.	IFELCO	11	100	176	176	100	-	43,281	39,868	92	3,413	8	8,062	47,930
17	Kalinga-Apayao Electric Cooperative, Inc.	KAELCO	11	100	222	222	100	-	56,266	46,183	82	10,083	18	4,495	50,678
18	Mountain Province Electric Cooperative, Inc.	MOPRECO	10	100	144	144	100	-	35,001	34,730	99	271	1	8,706	43,436
	Sub-Total		73	100	1,114	1,114	100	-	384,435	352,638	92	31,797	8	36,643	389,281
REGION III (CENTRAL LUZON)															
19	Aurora Electric Cooperative, Inc.	AURELCO	9	100	157	157	100	-	50,641	49,607	98	1,034	2	10,950	60,557
20	Tarlac I Electric Cooperative, Inc.	TARELCO I	15	100	421	421	100	-	165,721	165,172	99	549	1	26,452	191,624
21	Tarlac II Electric Cooperative, Inc.	TARELCO II	5	100	120	120	100	-	106,809	105,395	99	1,414	1	22,688	128,083
22	Nueva Ecija I Electric Cooperative, Inc.	NEECO I	5	100	96	96	100	-	87,113	87,113	100	-	-	16,365	103,478
23	Nueva Ecija II Electric Cooperative, Inc. - Area 1	NEECO II-Area I	10	100	291	291	100	-	142,965	138,942	97	4,023	3	6,907	145,849
24	Nueva Ecija II Electric Cooperative, Inc. - Area 2	NEECO II-Area II	11	100	225	225	100	-	128,344	122,693	96	5,651	4	4,374	127,067
25	San Jose City Electric Cooperative, Inc.	SAJELCO	1	100	40	40	100	-	33,612	33,526	99	86	1	4,448	37,974
26	Pampanga Rural Electric Service Coop., Inc.	PRESCO	-	-	34	34	100	-	20,440	20,227	99	213	1	5,576	25,803
27	Pampanga I Electric Cooperative, Inc.	PELCO I	6	100	112	112	100	-	95,290	95,290	100	-	-	29,601	124,891
28	Pampanga II Electric Cooperative, Inc.	PELCO II	7	100	175	175	100	-	174,539	170,709	98	3,830	2	21,308	192,017
29	Pampanga III Electric Cooperative, Inc.	PELCO III	6	100	95	95	100	-	76,275	76,275	100	-	-	24,659	100,934
30	Peninsula Electric Cooperative, Inc.	PENELCO	12	100	241	241	100	-	175,525	174,982	99	543	1	34,005	208,987
31	Zambales I Electric Cooperative, Inc.	ZAMECO I	6	100	118	118	100	-	64,292	62,988	98	1,304	2	10,847	73,835
32	Zambales II Electric Cooperative, Inc.	ZAMECO II	7	100	111	111	100	-	77,625	77,625	100	-	-	14,947	92,572
	Sub-Total		100	100	2,236	2,236	100	-	1,399,191	1,380,544	99	18,647	1	233,127	1,613,671

	REGIONS/ ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/ CITIES		B A R A N G A Y S				CONNECTIONS						
			Coverage*/ Energized	%	Potential*	Ener- gized/ Com- pleted	%	Unener- gized	Based on 2015 Census					Add'l Con- nections in cities/ municipalities with 100% energization	Total Served
									Potential	Served	%	Unserved	%		
REGION IV-A (CALABARZON)															
33	First Laguna Electric Cooperative, Inc.	FLECO	11	100	164	164	100	-	67,783	65,555	97	2,228	3	8,740	74,295
34	Batangas I Electric Cooperative, Inc.	BATELEC I	12	100	366	366	100	-	164,379	164,379	100	-	-	19,598	183,977
35	Batangas II Electric Cooperative, Inc.	BATELEC II	17	100	482	482	100	-	281,774	279,229	99	2,545	1	62,023	341,252
36	Quezon I Electric Cooperative, Inc.	QUEZELCO I	23	100	805	805	100	-	212,055	180,988	85	31,067	15	6,539	187,527
37	Quezon II Electric Cooperative, Inc.	QUEZELCO II	8	100	129	129	100	-	51,242	43,480	85	7,762	15	883	44,363
	Sub-Total		71	100	1,946	1,946	100	-	777,233	733,631	94	43,602	6	97,783	831,414
MIMAROPA REGION															
38	Lubang Electric Cooperative, Inc.	LUBELCO	2	100	25	25	100	-	7,198	6,756	94	442	6	2,208	8,964
39	Occidental Mindoro Electric Cooperative, Inc.	OMECCO	9	100	139	139	100	-	104,516	89,096	85	15,420	15	-	89,096
40	Oriental Mindoro Electric Cooperative, Inc.	ORMECCO	15	100	426	426	100	-	190,763	185,368	97	5,395	3	45,767	231,135
41	Marinduque Electric Cooperative, Inc.	MARELCO	6	100	218	218	100	-	54,508	54,508	100	-	-	7,744	62,252
42	Tablas Electric Cooperative, Inc.	TIELCO	10	100	112	112	100	-	41,309	41,309	100	-	-	5,567	46,876
43	Romblon Electric Cooperative, Inc.	ROMELCO	7	100	107	107	100	-	27,053	27,033	99	20	1	2,990	30,023
44	Busuanga Electric Cooperative, Inc.	BISELCO	4	100	61	61	100	-	24,585	20,319	83	4,266	17	2,000	22,319
45	Palawan Electric Cooperative, Inc.	PALECO	19	100	371	371	100	-	232,705	183,557	79	49,148	21	11,465	195,022
	Sub-Total		72	100	1,459	1,459	100	-	682,637	607,946	89	74,691	11	77,741	685,687
REGION V (BICOL REGION)															
46	Camarines Norte Electric Cooperative, Inc.	CANORECO	12	100	273	273	100	-	127,133	120,472	95	6,661	5	8,258	128,730
47	Camarines Sur I Electric Cooperative, Inc.	CASURECO I	10	100	287	287	100	-	92,690	89,868	97	2,822	3	2,250	92,118
48	Camarines Sur II Electric Cooperative, Inc.	CASURECO II	10	100	259	259	100	-	127,180	118,241	93	8,939	7	14,153	132,394
49	Camarines Sur III Electric Cooperative, Inc.	CASURECO III	7	100	229	229	100	-	95,788	85,200	89	10,588	11	9,703	94,903
50	Camarines Sur IV Electric Cooperative, Inc.	CASURECO IV	9	100	258	258	100	-	79,951	78,047	98	1,904	2	4,699	82,746
51	Albay Electric Cooperative, Inc. 6	ALECO	18	100	720	720	100	-	277,127	260,966	94	16,161	6	12,702	273,668
52	Sorsogon I Electric Cooperative, Inc.	SORECO I	8	100	253	253	100	-	70,761	70,761	100	-	-	14,406	85,167
53	Sorsogon II Electric Cooperative, Inc.	SORECO II	7	100	288	288	100	-	96,092	93,606	97	2,486	3	5,865	99,471
54	First Catanduanes Electric Cooperative, Inc.	FICELCO	11	100	315	315	100	-	53,814	53,106	99	708	1	9,022	62,128
55	Masbate Electric Cooperative, Inc.	MASELCO	15	100	434	434	100	-	147,642	91,438	62	56,204	38	2,247	93,685
56	Ticao Island Electric Cooperative, Inc.	TISELCO	4	100	72	72	100	-	21,362	18,474	86	2,888	14	362	18,836
	Sub-Total		111	100	3,388	3,388	100	-	1,189,540	1,080,179	91	109,361	9	83,667	1,163,846
	TOTAL LUZON		639	100	15,530	15,530	100	-	6,229,576	5,908,031	95	321,545	5	773,937	6,681,968
REGION VI (WESTERN VISAYAS)															
57	Aklan Electric Cooperative, Inc.	AKELCO	19	100	380	380	100	-	145,746	144,256	99	1,490	1	48,276	192,532
58	Antique Electric Cooperative, Inc.	ANTECO	16	100	537	537	100	-	118,348	109,510	93	8,838	7	15,963	125,473
59	Capiz Electric Cooperative, Inc.	CAPELCO	17	100	473	473	100	-	179,495	167,236	93	12,259	7	18,389	185,625
60	Iloilo I Electric Cooperative, Inc.	ILECO I	15	100	794	794	100	-	156,879	154,843	99	2,036	1	16,777	171,620
61	Iloilo II Electric Cooperative, Inc.	ILECO II	15	100	587	587	100	-	157,115	140,426	89	16,689	11	1,164	141,590
62	Iloilo III Electric Cooperative, Inc.	ILECO III	13	100	340	340	100	-	121,729	110,524	91	11,205	9	3,830	114,354
63	Guimaras Electric Cooperative, Inc.	GUIMELCO	5	100	98	98	100	-	40,575	39,070	96	1,505	4	418	39,488
64	Northern Negros Electric Cooperative, Inc.	NONECO	9	100	196	196	100	-	197,125	172,624	88	24,501	12	5,075	177,699
65	Central Negros Electric Cooperative, Inc.	CENECCO	6	100	158	158	100	-	245,468	218,735	89	26,733	11	29,009	247,744
66	Negros Occidental Electric Cooperative, Inc.	NOCECO	17	100	308	308	100	-	259,057	208,401	80	50,656	20	248	208,649
	Sub-Total		132	100	3,871	3,871	100	-	1,621,537	1,465,625	90	155,912	10	139,149	1,604,774

	REGIONS/ ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/ CITIES		B A R A N G A Y S					CONNECTIONS					
			Coverage*/ Energized	%	Potential*	Ener- gized/ %	Unener- gized	Based on 2015 Census					Add'l Con- nections	Total Served	
								Potential	Served	%	Unserved	%			
REGION VII (CENTRAL VISAYAS)															
67	Negros Oriental I Electric Cooperative, Inc.	NORECO I	11	100	285	285	100	-	133,402	99,393	75	34,009	25	-	99,393
68	Negros Oriental II Electric Cooperative, Inc.	NORECO II	14	100	272	272	100	-	177,271	157,021	89	20,250	11	22,539	179,560
69	Bantayan Electric Cooperative, Inc.	BANELCO	3	100	49	49	100	-	33,386	33,386	100	-	-	2,205	35,591
70	Cebu I Electric Cooperative, Inc.	CEBECO I	18	100	366	366	100	-	153,764	153,289	99	475	1	12,014	165,303
71	Cebu II Electric Cooperative, Inc.	CEBECO II	13	100	323	323	100	-	175,095	169,280	97	5,815	3	9,890	179,170
72	Cebu III Electric Cooperative, Inc.	CEBECO III	5	100	134	134	100	-	95,688	92,934	97	2,754	3	24,036	116,970
73	Province of Siquijor Electric Cooperative, Inc.	PROSIELCO	6	100	134	134	100	-	22,737	22,737	100	-	-	7,482	30,219
74	Camotes Electric Cooperative, Inc.	CELCO	4	100	56	56	100	-	24,138	23,802	99	336	1	2,273	26,075
75	Bohol I Electric Cooperative, Inc.	BOHECO I	26	100	603	603	100	-	129,361	129,361	100	-	-	50,580	179,941
76	Bohol II Electric Cooperative, Inc.	BOHECO II	21	100	491	491	100	-	137,291	131,093	95	6,198	5	25,104	156,197
	Sub-Total		121	100	2,713	2,713	100	-	1,082,133	1,012,296	94	69,837	6	156,123	1,168,419
REGION VIII (EASTERN VISAYAS)															
77	Don Orestes Romualdez Electric Cooperative, Inc.	DORELCO	13	100	499	499	100	-	98,154	91,940	94	6,214	6	1,174	93,114
78	Leyte II Electric Cooperative, Inc.	LEYECO II	3	100	196	196	100	-	72,385	72,385	100	-	-	7,724	80,109
79	Leyte III Electric Cooperative, Inc.	LEYECO III	9	100	285	285	100	-	63,047	61,275	97	1,772	3	2,803	64,078
80	Leyte IV Electric Cooperative, Inc.	LEYECO IV	6	100	245	245	100	-	66,708	66,708	100	-	-	21,040	87,748
81	Leyte V Electric Cooperative, Inc.	LEYECO V	12	100	416	416	100	-	156,126	142,843	91	13,283	9	6,367	149,210
82	Southern Leyte Electric Cooperative, Inc.	SOLECO	19	100	500	500	100	-	92,803	92,803	100	-	-	26,391	119,194
83	Biliran Electric Cooperative, Inc.	BILECO	7	100	117	117	100	-	36,850	36,082	98	768	2	4,283	40,365
84	Northern Samar Electric Cooperative, Inc.	NORSAMELCO	24	100	569	569	100	-	126,562	108,130	85	18,432	15	2,406	110,536
85	Samar I Electric Cooperative, Inc.	SAMELCO I	10	100	427	427	100	-	70,576	66,270	94	4,306	6	6,563	72,833
86	Samar II Electric Cooperative, Inc.	SAMELCO II	16	100	524	524	100	-	94,710	89,025	94	5,685	6	3,631	92,656
87	Eastern Samar Electric Cooperative, Inc.	ESAMELCO	23	100	597	597	100	-	106,324	100,061	94	6,263	6	4,588	104,649
	Sub-Total		142	100	4,375	4,375	100	-	984,245	927,522	94	56,723	6	86,970	1,014,492
	TOTAL VISAYAS		395	100	10,959	10,959	100	-	3,687,915	3,405,443	92	282,472	8	382,242	3,787,685
REGION IX (ZAMBOANGA PENINSULA)															
88	Zamboanga del Norte Electric Cooperative, Inc.	ZANECO	23	100	585	585	100	-	195,790	152,197	78	43,593	22	789	152,986
89	Zamboanga del Sur I Electric Cooperative, Inc.	ZAMSURECO I	25	100	626	626	100	-	201,084	167,117	83	33,967	17	1,327	168,444
90	Zamboanga del Sur II Electric Cooperative, Inc.	ZAMSURECO II	23	100	558	558	100	-	191,911	130,451	68	61,460	32	3,458	133,909
91	Zamboanga City Electric Cooperative, Inc.	ZAMCELCO	1	100	94	94	100	-	188,746	149,544	79	39,202	21	-	149,544
	Sub-Total		72	100	1,863	1,863	100	-	777,531	599,309	77	178,222	23	5,574	604,883
REGION X (NORTHERN MINDANAO)															
92	Misamis Occidental I Electric Cooperative, Inc.	MOELCI I	8	100	227	227	100	-	54,018	52,428	97	1,590	3	10,967	63,395
93	Misamis Occidental II Electric Cooperative, Inc.	MOELCI II	8	100	253	253	100	-	78,527	78,430	99	97	1	17,250	95,680
94	Misamis Oriental I Rural Electric Service Cooperative, Inc.	MORESCO I	10	100	155	155	100	-	87,651	86,705	99	946	1	24,278	110,983
95	Misamis Oriental II Electric Service Cooperative, Inc.	MORESCO II	12	100	269	269	100	-	94,638	87,088	92	7,550	8	1,706	88,794
96	First Bukidnon Electric Cooperative, Inc.	FIBECO	13	100	303	303	100	-	186,153	170,992	92	15,161	8	4,576	175,568
97	Bukidnon II Electric Cooperative, Inc.	BUSECO	10	100	171	171	100	-	124,003	116,293	94	7,710	6	11,159	127,452
98	Camiguin Electric Cooperative, Inc.	CAMELCO	5	100	58	58	100	-	20,080	20,080	100	-	-	5,247	25,327
99	Lanao del Norte Electric Cooperative, Inc.	LANECO	19	100	410	410	100	-	126,877	97,957	77	28,920	23	11,828	109,785
	Sub-Total		85	100	1,846	1,846	100	-	771,947	709,973	92	61,974	8	87,011	796,984

	REGIONS/ ELECTRIC COOPERATIVES	ACRONYM	MUNICIPALITIES/ CITIES		B A R A N G A Y S				C O N N E C T I O N S						
			Coverage*/ Energized	%	Potential*	Ener- gized/ C o m - pleted	%	Unener- gized	Based on 2015 Census					Add'l Con- nections in cities/ municipalities with 100% energization	T o t a l Served
									Potential	Served	%	Unserved	%		
REGION XI (DAVAO REGION)															
100	Davao Oriental Electric Cooperative, Inc.	DORECO	11	100	183	183	100	-	128,574	109,230	85	19,344	15	8,807	118,037
101	Davao del Norte Electric Cooperative, Inc.	DANEKO	18	100	376	376	100	-	311,782	226,639	73	85,143	27	4,048	230,687
102	Davao del Sur Electric Cooperative, Inc.	DASURECO	15	100	337	337	100	-	236,227	187,623	79	48,604	21	17,945	205,568
	Sub-Total		44	100	896	896	100	-	676,583	523,492	77	153,091	23	30,800	554,292
REGION XII (SOCCSKSARGEN)															
103	North Cotabato Electric Cooperative, Inc.	COTELCO	12	100	348	348	100	-	199,130	173,283	87	25,847	13	11,039	184,322
104	Cotabato Electric Cooperative, Inc. - PPALMA	COTELCO-PPALMA	6	100	195	195	100	-	121,437	74,825	62	46,612	38	902	75,727
105	South Cotabato I Electric Cooperative, Inc.	SOCOTECO I	10	100	172	172	100	-	177,621	139,203	78	38,418	22	4,924	144,127
106	South Cotabato II Electric Cooperative, Inc.	SOCOTECO II	10	100	205	205	100	-	322,068	274,239	85	47,829	15	-	274,239
107	Sultan Kudarat Electric Cooperative, Inc.	SUKELCO	17	100	311	311	100	-	198,049	166,570	84	31,479	16	16,391	182,961
	Sub-Total		55	100	1,231	1,231	100	-	1,018,305	828,120	81	190,185	19	33,256	861,376
AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM)															
108	Tawi-Tawi Electric Cooperative, Inc. 4	TAWELCO	9	100	186	186	100	-	62,321	13,597	22	48,724	78	-	13,597
109	Siasi Electric Cooperative, Inc. 1	SIASELCO	2	100	66	66	100	-	17,162	4,258	25	12,904	75	-	4,258
110	Sulu Electric Cooperative, Inc.	SULECO	16	100	330	330	100	-	116,930	30,619	26	86,311	74	-	30,619
111	Basilan Electric Cooperative, Inc. 3	BASELCO	14	100	269	269	100	-	87,041	45,288	52	41,753	48	-	45,288
112	Cagayan de Sulu Electric Cooperative, Inc. 5	CASELCO	2	100	17	17	100	-	5,208	3,511	67	1,697	33	-	3,511
113	Lanao del Sur Electric Cooperative, Inc. 2	LASURECO	41	100	1,174	1,174	100	-	163,837	56,475	34	107,362	66	-	56,475
114	Maguindanao Electric Cooperative, Inc. 5	MAGELCO	30	100	408	402	99	6	150,425	94,134	63	56,291	37	669	94,803
	Sub-Total		114	100	2,450	2,444	99	6	602,924	247,882	41	355,042	59	669	248,551
CARAGA REGION															
115	Agusan del Norte Electric Cooperative, Inc.	ANECO	12	100	253	253	100	-	153,857	153,014	99	843	1	41,729	194,743
116	Agusan del Sur Electric Cooperative, Inc.	ASELCO	14	100	314	314	100	-	153,653	151,241	98	2,412	2	27,900	179,141
117	Surigao del Norte Electric Cooperative, Inc.	SURNECO	12	100	203	203	100	-	83,285	82,999	99	286	1	15,691	98,690
118	Siargao Electric Cooperative, Inc.	SIARELCO	9	100	132	132	100	-	25,529	25,529	100	-	-	12,851	38,380
119	Dinagat Islands Electric Cooperative, Inc.	DIELCO	7	100	100	100	100	-	28,557	25,782	90	2,775	10	5,371	31,153
120	Surigao del Sur I Electric Cooperative, Inc.	SURSECO I	5	100	112	112	100	-	56,333	56,333	100	-	-	32,989	89,322
121	Surigao del Sur II Electric Cooperative, Inc.	SURSECO II	14	100	197	197	100	-	73,124	71,461	98	1,663	2	14,424	85,885
	Sub-Total		73	100	1,311	1,311	100	-	574,338	566,359	99	7,979	1	150,955	717,314
	TOTAL MINDANAO		443	100	9,597	9,591	99	6	4,421,628	3,475,135	79	946,493	21	308,265	3,783,400
	T O T A L		1,477	100	36,086	36,080	99	6	14,339,119	12,788,609	89	1,550,510	11	1,464,444	14,253,053

Executive Committee



EDGARDO R. MASONGSONG
Administrator



SONIA B. SAN DIEGO
Deputy Administrator for
Corporate Resources and Financial Services



ARTIS NIKKI L. TORTOLA
Deputy Administrator for
Technical Services



VICAR LOUREEN G. LOFRANCO
Acting Deputy Administrator for
Electric Cooperatives
Management Services



ROSSAN S.J. ROSERO-LEE
Deputy Administrator for
Legal Services

Assembly of Leaders

OFFICE OF THE ADMINISTRATOR



FRANCISCO A. CAYMO
Department Manager, Corplan
(until June 30, 2020)



ANA ROSA D. PAPA
Department Manager,
Corplan and OPASS
(concurrent capacity)



RODERICK N. PADUA
Department Manager, ITCSD



BRIGIDA A. GAVINO
Manager, SPD
(until November 3, 2020)



LUISA I. HERNANDEZ
Manager, REPPDD



SHIRLEY J. SALVADOR
Manager, ITSDD



LEILANI L. RICO
Manager, DMPCD



LINO SJ VERMUDO, JR.
Acting Manager, SPD



JON PATRICK SEAN T. BARNEDO
Head Executive Assistant



NORA I. RIVERA
Department Manager, NETI



ELIZABETH P. BASCO
Manager, TSD



ROSARITA E. SALVADOR
Acting Department Manager, CCSMO

LEGAL SECTOR



OSWALDO F. GABAT
Attorney V, LSO



VIC P. ALVARO
Department Manager, AdCom

ROSANN SJ. ROSERO-LEE
Deputy Administrator



MAY FLOR C. ABUEDO
Corporate Secretary



JUDY B. ARCILLA
Department Manager, IAQSMO

ILUGEN P. MABANSAG
Manager, FSAD



RHONIEL L. LIBUNAO
Acting Manager, SAQSD
(until September 24, 2020)



RUTH S. RAMIREZ
Manager, SAQSD and
Officer-in-Charge, RAO (concurrent)

CORPORATE RESOURCES AND FINANCIAL SERVICES SECTOR



JONA E. ANDAL
Department Manager, HRAD

SONIA B. SAN DIEGO
Deputy Administrator



LIDA E. DELA MERCED
Manager, ASD
(until July 19, 2020)



LEILA B. BONIFACIO
Department Manager, AMGD



ROSIE M. ALAMILLO
Manager, AMD



ANASTACIA B. SUASI
Manager, HRMD



MILAGROS A. ROBLES
Acting Department Manager, FSD



MA. CHONA O. DELA CRUZ
Manager, FSAD



IRENE H. VIRAY
Manager, TD



ARSENIA M. SACDALAN
Acting Manager, FPCD

AMELITA P. LUCERO
Acting Manager, ASD



EDMUNDO P. AGUILAR
Manager, GSD

TECHNICAL SERVICES SECTOR



ARTIS NIKKI L. TORTOLA
Deputy Administrator



FERDINAND P. VILLAREAL
Department Manager, ED
(until August 27, 2020)



REYNALDO S. CUEVAS, JR.
Acting Department Manager, ED
Acting Department Manager, MCSO
(concurrent capacity)



EXEQUIEL EVALE, JR.
Acting Manager, TOD



FEDERICO P. VILLAR, JR.
Acting Department Manager, DRRMD



ERNESTO O. SILVANO, JR.
Acting Department Manager, TEREDD



WILFREDO N. BUCSIT
Manager, RED



GERARDO G. POMOY
Project Manager, ERP



ENRICO G. VELGADO
Project Manager, VRA



JOSEPH M. SANGALANG
Officer-in-Charge, TEDD



FELICISIMO A. PULA
Officer-in-Charge, REDD

ELECTRIC COOPERATIVE MANAGEMENT SERVICES SECTOR

VICAR LOUREEN G. LOFRANCO
Deputy Administrator



DOMINGO S. SANTIAGO, JR
Acting Department Manager, MCSO



XERXES D. ADZUARA
Department Manager, MCSO

ANAFEL B. TIO
Department Manager, ECAD



OMAR A. MAYO
Department Manager, MCSO



HENRIETTA M. ALAY
Acting Manager, MCSO



CHARITO C. MABITAZAN
Acting Manager, ECOSAD



RICARDO C. ORIAS
Department Manager, MCSO



NOLLIE B. ALAMILLO
Department Manager, IDD



GUILLERMO M. PAZ
Manager, CDPD
(until June 15, 2020)



ARNEL P. GALARPE
Acting Manager, CDPD



RODEL M. GIPULAN
Acting Manager, ECOSAD



CAYETANO B. JUAREZ
Acting Manager, ECFMAD



PERCIVAL G. CRISOSTOMO
Manager, OMDD

Our Partners



Dingras, Ilocos Norte



Santiago, Ilocos Sur



Aringay, La Union



Bani, Pangasinan



San Carlos City, Pangasinan



Urdaneta City, Pangasinan



Basco, Batanes



Solana, Cagayan



Aparri, Cagayan



Ilagan, Isabela



Alicia, Isabela



Dupax del Sur, Nueva Vizcaya



Diffun, Quirino



Bangued, Abra



Baguio City, Benguet



Lagawe, Ifugao



Tabuk, Kalinga-Apayao



Bontoc, Mountain Province



San Isidro, Nueva Ecija



Baler, Aurora



Gerona, Tarlac



Concepcion, Tarlac



Talavera, Nueva Ecija



San Leonardo, Nueva Ecija



Maharlika Hi-way San Jose City



Mexico, Pampanga



Mexico, Pampanga



Guagua, Pampanga



Apalit, Pampanga



Balanga City, Bataan



Palauig, Zambales



Castillejos, Zambales



Lumban, Laguna



Calaca, Batangas



Lipa City, Batangas



Pitogo, Quezon



Infanta, Quezon



Lubang, Occidental Mindoro



San Jose Occidental Mindoro



Calapan City Oriental Mindoro



Boac, Marinduque



Odiangan, Romblon



Romblon, Romblon



Coron, Palawan



Puerto Prinsesa City, Palawan



Daet, Camarines Norte



Libmanan, Camarines Sur



Naga City, Camarines Sur



Iriga City, Camarines Sur



Tigaon, Camarines Sur



Legaspi City, Albay



Bulan, Sorsogon



Sorsogon, Sorsogon



Bato, Catanduanes



Mobo, Masbate



Ticao Island, Masbate



Lezo, Aklan



Jose de Buenavista, Antique



Panitan, Capiz



Tigbauan, Iloilo



Pototan, Iloilo



Sara, Iloilo



Jordan, Guimaras



Manapla, Negros Occidental



Bacolod City, Negros Occidental



Kabanakan, Negros Occidental



Bindoy, Negros Oriental



Dumaguete City, Negros Oriental



Bantayan, Cebu



Dumanjug, Cebu



Bogo City, Cebu



Toledo City, Cebu

Commission on Audit

Emma A. De Guzman
Supervising Auditor



ACKNOWLEDGMENTS

Office of the President
 Office of the DOE Secretary
 18th Congress, House of Representatives
 Ako Padayon Pilipino partylist . APEC partylist . PHILRECA partylist . RECOBODA partylist

The EDITORIAL BOARD

EDGARDO R. MASONGSONG . Executive Editor . VICAR LOUREEN G. LOFRANCO . Editor-in-Chief .
 ROSARITA E. SALVADOR . Managing Editor . CRIS-ANN G. ODRONIA . Editorial Consultant .
 ELLEN FLEUR V. BANG-AY . LOURDES S. QUINTERO . RAFAEL B. BARRIENTOS . Associate Editors .
 CORSEC - ANGELIE ARGUILLES . FSD - ELIZANDRA ESTRADA . IRENE VIRAY .
 AMGD - ROSITA ALIMAGNO . MCSO - HENRIETTA MARAMOT . ABIGAIL FORMENTO .
 IDD - VIRGINIA CABONCE . JANICE MABILOG . DANICA VI MUNCAL . ECAD - RODEL GIPULAN .
 ENGINEERING - EXEQUIEL ABLEN . DRRMD - ERIC CAMPOTO . RAINIER NOEL RAMOS .
 TEREDD - KRISSELDA LUMAPAS . JOHN PAUL PAGTALUNAN . LSO - OSWALDO GABAT . ADCOM - ALMA ALLI .
 IAQSMO - ESTANISLAO LAXA . RAO - JERIC CARBAJAL . ZYRILLE ANGELO CALINAGAN .
 CPO - IRENE MARTIN . LESTER LINDAIN . JOHN CARLOS SANTOS . NETI - ALEXIS JAN PATACASIL .
 ITCSD - JUSTINO CALVEZ . SHIRLEY SALVADOR . OPASS - JONNALYN MARCO . HRAD - ADAMAI CLAVERO .
 CCSMO - RAFAEL B. BARRIENTOS . Contributing Departments .
 BRIAN O. ALEGRE . ERNESTO T. DE VERA . Creatives .
 ANNABELLE P. CRUZ . EMMANUEL B. SARMIENTO . Production . KALVIN G. CARIÑO . Administrative



57 NIA Road, Government Center, Diliman, Quezon City 1100 Philippines
Telefax: (632) 929-2237 Local: (632) 929-1909 loc.153



www.nea.gov.ph



[@OfficialNEA](https://www.facebook.com/OfficialNEA)



[@nea_ph](https://twitter.com/nea_ph)



[National Electrification Administration](https://www.youtube.com/NationalElectrificationAdministration)