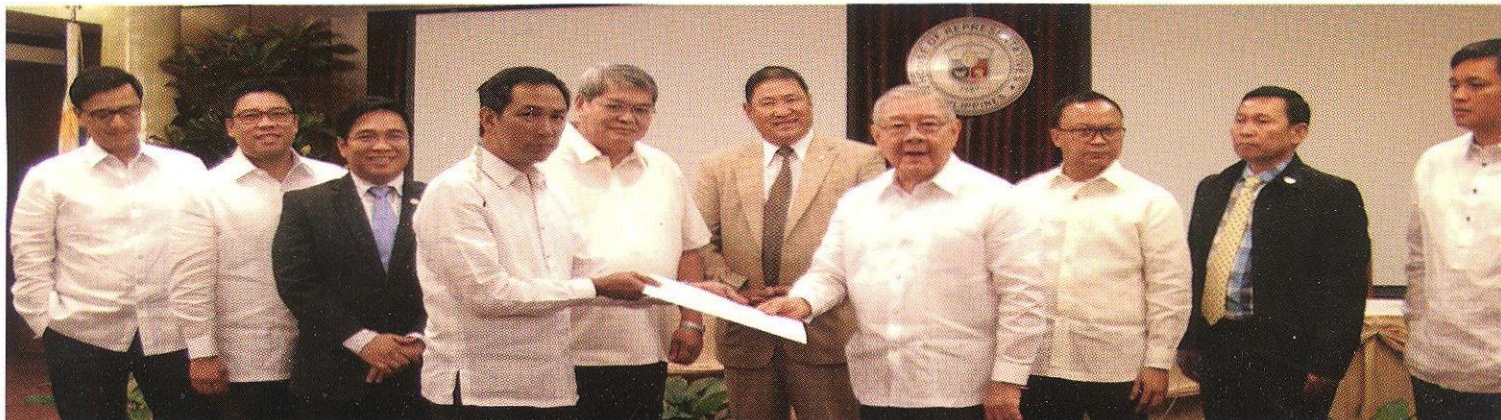


## Task Force Kapatid feted by Congress



Energy Secretary and NEA Board Chair Carlos Jericho Petilla (4th from L), together with NEA Deputy Administrator Edgardo Piamonte (5th from L), receives a copy of House Resolution 157, a congressional commendation for the Task Force Kapatid volunteers heralding their heroism, selflessness, and sacrifice beyond the call of duty in repairing and rehabilitating power lines and electric distribution facilities in the aftermath of natural calamities. The recognition was led by Speaker Feliciano Belmonte, Jr. (4th from R) and witnessed by House leaders (from L) Hon. Miro Quimbo, Hon. Anthony Del Rosario, Hon. Rodel Batocabe, Hon. Reynaldo Umali, Hon. Ben Evardone, Hon. Edgardo Masongsong, and Hon. Michael Angelo Rivera.

**Honors poured in for Task Force Kapatid (TFK) volunteers in a special gathering called by the House of Representatives to commend those who aided in power restoration initiatives following the occurrence of various natural disasters in the country.**

"This occasion is our way of recognizing the selfless and noble efforts of all who comprise the Task Force Kapatid, including the thousands of volunteers who gave their all to repair and rehabilitate power lines and stations," Speaker Feliciano Belmonte, Jr. said.

The Speaker led the TFK recognition rites on March 17 at the Andaya Hall of the Batasang Pambansa in Quezon City.

With him were Energy Secretary Carlos Jericho Petilla, Committee on Energy Chair Reynaldo Umali (Oriental Mindoro-2nd District), 1-Care Partylist Representatives Michael Angelo Rivera and Edgardo Masongsong, Ako-Bicol Partylist

Representative and Special Committee on Bicol Recovery and Economic Development Chair Rodel Batocabe, Ways and Means Committee Chair Romero Federico Quimbo (Marikina-2nd District), House Independent Bloc Leader Ferdinand Martin Romualdez (Leyte-1st District), Rep. Rodolfo Albano III (Isabela-1st District), Rep. Maria Valentina Plaza (Agusan del Sur-1st District), and Rep. Anthony Del Rosario (Davao del Norte- 1st District).

In commending the TFK, Speaker Belmonte said that the volunteers had to work "under extremely hard conditions," even with a deadline to beat, while enduring separation from their families and the lack of decent accommodation and toilet facilities.

 CONGRESS/5

## NEA cites programs to strengthen ECs

NEA Administrator Edita Bueno in an international forum on disaster risk reduction and financing told participants that the agency has already developed programs for electric cooperatives (ECs) in the country to mitigate impacts of future natural calamities on their distribution systems.

Citing the Yolanda experience which made an estimated US\$ 120 million damage cost to ECs in the Central Philippines, Administrator Bueno said that one of the main strategies of the agency's disaster risk reduction effort involves "capacitating energy players on the intricacies of disaster preparedness."

According to her, this involves upgrading of the ECs' distribution assets based on

 PROGRAMS/6

### IN THE NEWS

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Leyeco III launches school chair distribution program p. 7



## NEA receives ISO 9001:2008 certification



True to its commitment to deliver better and more efficient services to its clients, NEA recently garnered an ISO 9001:2008 certification after completing two stages of certification audit.

Awarded by TUV Rheinland Cert GmbH on February 10, the certification exemplifies the agency's effective implementation of Quality Management System (QMS) standards to further enhance

its corporate mission of providing financial, institutional, and technical assistance to electric distribution utilities.

NEA Administrator Edita Bueno said "NEA's QMS addresses the challenges posed by the passage of Republic Act No. 10531 or the "National Electrification Administration Reform Act of 2013" and puts the agency at a strategic position to better respond to the required government-wide quality management program."

"The ISO certification is a proof of the efforts of the agency to keep pushing for excellence in delivering our corporate mandate," she added.

In preparation for the audit, NEA has formed QMS teams which developed quality manual, agency-wide procedures, and 29 departmental procedures covering NEA's core and support services.

A two-day pre-assessment audit was likewise conducted in October last year to ascertain the readiness

and the level of compliance of the agency to QMS procedures and requirements of the ISO 9001:2008 standard.

According to the ISO website, the ISO 9001:2008 standard "sets out the criteria for a quality management system" and "is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual development."

The ISO certification came in on the heels of other recognitions bestowed to NEA, which include, among others, the 2014 Most Outstanding Accounting Office Award and the 2014 Environmental Excellence Award.

Previously, NEA has been ISO-certified covering the entire organization from 19 October 2000 to 19 December 2003 in recognition of the need for the application of a QMS for effective program implementation and quality processes.

## P2.5 B loans released to power coops

NEA has extended loans amounting to P2.534 billion to 67 electric cooperatives (ECs) through its various loan windows in 2014 primarily to finance the rehabilitation and upgrading of their distribution lines and sustain their operational efficiency.

NEA processed 84 financial packages vis-à-vis its target of 53 last year. It has likewise posted a 100% collection efficiency on the loan amortization payments of the ECs.

Administrator Edita S. Bueno said, "As part of NEA's mandate, the agency has developed a credit guarantee program and facility for the ECs to establish a

power supply guarantee in securing the power purchase of qualified ECs in the Wholesale Electricity Spot Market (WESM), Interim Mindanao Electricity Market (IMEM) or under a bilateral contract with the generation companies (GenCos) or the National Grid Corporation of the Philippines (NGCP)."

"NEA also finds ways to make funds readily available for the ECs particularly in times of calamities to allow them to serve better their member-consumers," she added.

A total of P203 million was borrowed by eight ECs to finance their monthly

shortfall on the settlement of their power accounts with the GenCos and NGCP. This was also done by ECs to finance their arrearages with NPC and/or NGCP in order to avail of the prompt payment discount.

Meanwhile, Pelco III and Casureco I availed of the Stand-by Credit Loan Facility for power accounts amounting to P30 million and P13.125 million respectively, to strengthen their creditworthiness with GenCos and market operator particularly the WESM.

Three coops in Mindanao secured



## 2015 NEA Strategic Thinking Conference-Workshop highlights agency's strong corporate standing

*Administrator Bueno upholds commitment to performance and good governance*



Administrator Edita Bueno (inset) during the 2015 NEA Strategic Thinking Conference-Workshop rallies employees of the agency as well as officials and staff of the ECs to do more than what is expected of them to raise the level of corporate performance.

"Let's continue to succeed and surpass what we have attained."

Thus said NEA Administrator Edita Bueno at the 2015 Strategic Thinking Conference-Workshop held in Hotel Elizabeth, Baguio City last February 4-6.

In a show of resolve and commitment to outstanding performance and good governance, the Administrator said that in view of the last full year of the Aquino administration, "2015 will be a combination of performance demand and political fervor" and must be complemented with a mindset that favors determination, prudence, and creativity.

Addressing participants primarily composed of NEA's Assembly of Leaders, she said that there is no reason to stop the agency from accomplishing its corporate goals, especially its major programs for this year.

These programs include continuing implementation of the Sitio

Electrification Program (SEP) and the Barangay Line Enhancement Program (BLEP), launch of the Build Back Better (BBB) Program, strict enforcement of the guidelines governing the submission of Reportorial Requirements, and provision of regular assistance and supervision to both performing and ailing ECs.

During the workshop, Administrator Bueno also presented the milestones of the agency from 2004 to 2014, a decade of success which she said was marked by "the synergistic movement of the management and the employees."

"The gains of NEA reflect the leadership efforts of the management and the unstinting support of the staff and employees. We are all part of its making; every one counts," she said.

The milestones she outlined include increased consumer connections, institutionalization of a Performance Governance System (PGS), conferment by COA of an unqualified audit opinion for seven consecutive

years, sustainment of good financial standing and responsible citizenship, maintenance of a high level of collection efficiency of EC loans, being finalist to the United Nations Public Service Awards (UNPSA), and garnering of an ISO certification.

According to Administrator Bueno, growing interest in NEA by international institutions is also beginning to pick up momentum as a result of the efforts of the agency to systematize governance initiatives and uphold Corporate Performance Commitments.

These institutions, she said, include the Asian Development Bank, World Bank, USAID, NRECA, JICA, EU, and KEPCO.

For 2014, NEA was able to deliver its performance commitments as agreed upon by the agency and the Governance Commission for GOCCs (GCG).

These commitments cover major final outputs such as management assistance to SEP, Rural Electrification Financing, and Restructuring of Ailing ECs, Support to Operations, and General Administration and Support Services.





## Sitio Electrification target on track

NEA and its partner-electric cooperatives nationwide are on-track in their commitment to energize 32,441 sitios during the term of President Benigno S. Aquino.

The Sitio Electrification Program (SEP) is part of the Aquino Administration's social contract with the Filipino people.

As of 31 March 2015, of the 32,441 targeted sitios, 23,055 have already been energized. This brings energization level as of the same date to 71%.

In 2014 alone, 7,567 sitios were energized which is 6.98% more than the target of 7,073 sitios. Meanwhile, 1,030 sitios were electrified in January 2015.

Expressing optimism in delivering the agency's corporate commitments, NEA Administrator

Edita S. Bueno said "the electrification of the sitios was accomplished in spite of the massive rehabilitation efforts put in by NEA and the ECs for power restoration in the months following the vast devastation by Super Typhoon Yolanda in November 2013."

She added that Task Force Kapatid Yolanda commenced mobilization on November 12, 2013 and gathered volunteers from 70 electric cooperatives nationwide and from 11 domestic and international organizations.

The task force brought relief to 33 affected ECs covering 341 municipalities, 7,052 barangays and 1,428,636 households."

To fast track the SEP, NEA has included housewiring and installation cost for initial 30 households; accredited Regional

technical Evaluators; created Sitio Implementation Unit in the ECs; encouraged participation of Civil Society Organizations (CSOs); issued unbundled price index of 5 MVA and 10 MVA substations; and seriously complied with the Commission on Audit (COA) rules and regulations.

At the same time, the ECs have partnered with private organizations; enhanced basic regional services such as procurement, training of additional linemen, and electricians and TFK; signed Memorandum of Agreement between EC and Local Government Units to ease compliance requirements; conducted parallel pre-membership activities, membership application, and assistance to potential consumers; and realigned new projects or turned-over to NEA excess electrification funds.

### loans... from 2

loans for the procurement of Modular Generator Set in anticipation of the shortfall of power supply in the island especially during the summer months. These are Daneco (P19.697 million), Moresco I (P12.194 million) and Zamcelco (P105.285 million).

Marelco, Ileco II, Ceneco, Buseco, and Moresco I used the Single Digit System Loss Loan Facility to further decrease their system losses through either acquisition or commissioning of substations, upgrading of overextended and overloaded distribution lines and purchase of kilowatt hour meters.

Loan availment by the ECs is included in the fast-track lane being implemented by NEA. The average number of days to release a loan is ten working days.



Administrator Edita Bueno shakes hands with Philippine Veterans Bank Chairman and CEO Roberto de Ocampo in a gesture of continuing partnership in the delivery of better and efficient service for the NEA employees. The National Electrification Administration (NEA) and the Philippine Veterans Bank (PVB) renewed their ties with the signing of a Memorandum of Agreement on payroll facility and ATM Off-Site services on February 16, 2015 at the NEA Building in Quezon City.



## NEA campaigns for RE development

To support the country's commitment to the Geneva Convention and the Kyoto Protocol, NEA, with the electric cooperatives (ECs), is joining the campaign for Renewable Energy (RE) development through the implementation of projects that focus on mitigating the effects of climate change.

According to the Office of the Renewable Energy Development (ORED) OIC Engr. Ernesto Silvano, Jr., the goal is to reduce fossil fuel consumption and carbon dioxide emission and thereby maintain a level of environmental pollution below 5 ppm.

The present measurement of the country's environmental pollution as determined by the Department of Environment and Natural Resources (DENR) is at 2-3 ppm.

Engr. Silvano stressed that the ongoing RE initiatives of the Agency are in compliance with Republic Act 9367: Biofuels Act of 2006 and Republic Act 9513: Renewable Energy Act of 2008.

Both laws declare as state policy the need to explore and develop RE sources in order to lessen the country's dependence on fuel importation and maintain energy sustainability for unimpeded economic growth.

Since the creation of ORED in 2013, the Office has been steadily offering technical, financial, regulatory, and safeguards assistance to ECs with potential RE resources.

This includes, among others, providing technical engineering assistance to coops with operational embedded mini-hydropower plant and those coops with RE-based power plants that are for rehabilitation or expansion.



ORED OIC Engr. Ernesto Silvano, Jr. (second from L), together with ORED staff Engr. Maye Divine Cabungcal (third from L) and Engr. Jayson Corpuz (rightmost) visit Oriental Mindoro Electric Cooperative's 2.1 MW Linao Cawayan Mini-Hydro Power Plant.

According to Engr. Silvano, there are 11 ECs with existing operational embedded mini-hydro in the country as of February this year. These include Inec, Iselco I, Batelec II, Lubelco, Ormeco, Soreco II, Boheco I, Cebeco I, Samelco I, Baselco, and Surneco.

On the other hand, assistance was already given to three out of seven non-operational power plants that were affected by typhoons or needing rehabilitation.

Expressing hope for future RE-based energy development in the country, Engr. Silvano said that "there's enough room for RE, with 22% uncontracted demand or 750 MW from the electric cooperatives."

He added that their office will readily offer assistance to ECs wishing to venture into RE development as part of the agency's goal to contribute to reduction in the use of fossil fuel and spearhead a sustainable program on environmental awareness.

### Congress... from 1

This, he added, is on top of working while being surrounded by the gruesome sight of dead bodies being buried and debris littering the streets.

Speaker Belmonte also used the occasion to praise the power coops for promoting the ideal of cooperativism and for being "a vital democratic institution" in helping contribute to the objectives of "nation-building."

Meanwhile, Secretary Petilla extended his gratitude once more to the TFK.

"I will not get tired of thanking all of you, especially the linemen, for your sacrifices in times of typhoons and calamities. With electricity, there is hope. With light, there is hope," he said.

For his part, NEA Deputy Administrator for Electric Distribution Utilities Services Edgardo R. Piamonte said the TFK has also taken on other roles in addition to power restoration activities.

He added that the TFK assists not only during calamities, but also in the operations of ECs if necessary.

To cap the recognition rites, each TFK contingent was presented a copy of congressional commendation (House Resolution 157) by Speaker Belmonte, Secretary Petilla, and other House leaders.

The resolution was authored by Rep. Batocabe and Rivera and adopted on December 2, 2014.





**Programs... from 1**

standards to withstand impacts of climate variability and other hazard events and avoid costly damages to ECs' distribution systems.

She said this is anchored on the government's build-back-better concept which aims to put in place "disaster-resilient standards" on the construction of vital infrastructure and the rehabilitation of local economies in the aftermath of a disaster.

For this purpose, NEA has pooled linemen and electricians who will be ready to undertake emergency restoration works in times of calamities.

A material buffer stock or stockpile appropriate to the size of the EC is also being determined as part of its Capital Expenditure (CAPEX) plan.

To cover expenses in mobilization and immediate deployment of personnel during emergency situations, the establishment of sinking fund is also being looked into, subject to the approval of the Energy Regulatory Commission (ERC).

Meanwhile, Administrator Bueno disclosed that the formulation of disaster risk finance programs for ECs is already underway. These

include parametric risk transfer and business continuity management (BCM) credit rating.

She said that a parametric risk transfer can allow specific coverage for earthquakes and typhoons and provide proportional payout for those in excess of a certain wind speed or earthquake magnitude.



NEA Administrator Edita Bueno (center) poses for a photo opportunity with fellow panelists NEDA Director General Arsenio Balisacan (leftmost), DPWH Secretary Rogelio Singson (second from L), Leyeco II GM Rosario Avestruz (second from R), and GSIS Senior Vice President Maria Palanca (rightmost).

**Workshop on Problem Solving and Decision Making held**

To give the agency's management officials a better grip on problem solving tools and techniques, a three-day Problem Solving and Decision Making Workshop was held last January 21-23 at the HES Auditorium.

Attended by 33 NEA officials and employees, the workshop aims to sharpen the skills and competencies of the participants in the various ways an organizational

problem may be properly identified and corrected.

According to Mr. Noel Resurreccion, workshop trainer, "the need to master one's attitude of wanting to constantly learn and develop" must be the foundation upon which effective problem solving and decision making rest.

He added that a systematic approach to a problem is to trace

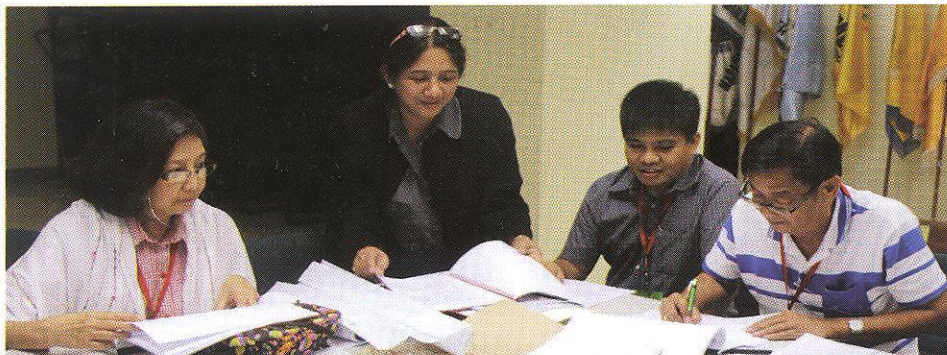
its root cause to come up with a solution that is more than a stopgap.

During the workshop, "live" organization problems and case studies were processed using problem prioritization techniques and solution identification methods.

Formulation of an action plan was likewise discussed to map out responsibility, required resources, potential causes, preventive action, and contingent plan for the critical steps in the action item.

One participant noted that the workshop gave her a wider perspective on how to look at problems and solutions from a different angle.

"The workshop was a good venue to discuss issues and concerns freely and come up with mutually-acceptable solutions," she said.



NEA employees work on a group task during the Problem Solving and Decision Making Workshop which emphasizes the importance of identifying the root of a problem to arrive at an effective solution.



## Leyeco III launches school chair distribution program

The Leyte III Electric Cooperative, Inc. (Leyeco III) is helping to keep a bright future for the school children in its coverage area through its school chair distribution program.

An offshoot of the coop's assistance efforts to schools damaged by super typhoon Yolanda, the program was formally launched January this year, with Tibak Elementary School, Sta. Fe. Central School, and Sta. Rosa Elementary School as initial beneficiaries.

Four more schools are targeted to receive chairs from the coop this year, according to Leyeco III General Manager Allan Laniba.

He added that the program is a recognition of the indispensable role of education to the lives of the people, which the coop has strongly supported.

"We always support education. If electric coops are lighting the



Leyeco III General Manager Allan Laniba (leftmost) leads the school chair distribution ceremony in Tinambacan Elementary School in Jaro, Leyte.

material households, we must also help schools as they are the light of soul and character," GM Laniba said.

In another initiative, the coop also plans to give EC Leadership Awards this graduation season to deserving students in all the

secondary schools under its coverage area.

Leyeco III supplies electricity to nine municipalities in Leyte including Alang-alang, Sta. Fe, San Miguel, Carigara, Jaro, Barugo, Tunga, Pastrana, and Capoccan.

## NEAns join fun run, street dance for a cause

Around 112 NEAns trooped to the Quezon Memorial Circle at the crack of dawn on February 15 to join the 20th anniversary fun run of the Philippine Health Insurance Corporation (PhilHealth).

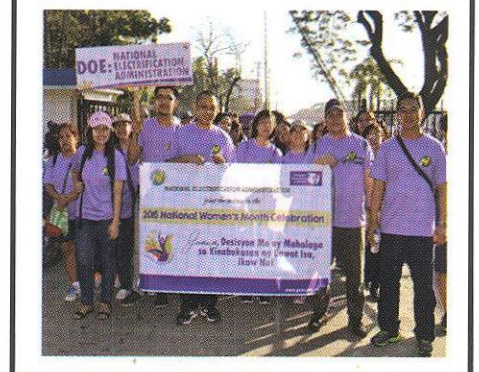
Demonstrating the agency's support for government initiatives that raise awareness about healthcare benefits and the prevention of costly hospitalization expenses, NEA's participation in the fun run gave NEAns the opportunity to help the chosen beneficiary of PhilHealth, while allowing them to interact with other government personnel.

The chosen beneficiary of PhilHealth was the Golden Reception and Action Center for the Elderly and

Other Special Cases (Graces), a residential care facility that provides care to senior citizens 60 years old and above.

"This is a wonderful opportunity for us to come together and help. As public servants, we have a common goal of lending a hand to our brothers and sisters to ease the plight they are in," NEA Administrator Edita Bueno said.

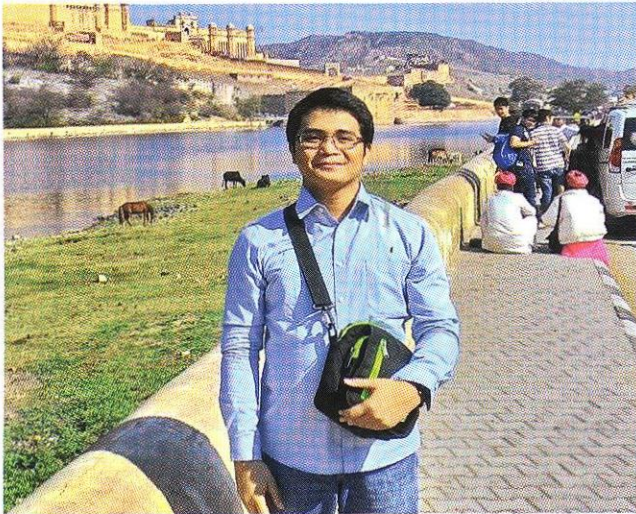
Meanwhile, around 76 NEAns also joined the ceremony for the National Women's Month celebration on March 8. The celebration was kicked off with a street dance honoring the achievements of the women in their various capacities to lead and empower society.





## NEA officer attends int'l training on decentralized generation and rural power distribution mgmt

"It was an opportunity that ignited my enthusiasm for further learning," said Engr. Isak Jonathan Villanueva of the Accelerated Total Electrification Office (ATEO).



After spending close to two months in India to study its rural electrification practices and distributed generation options, Engr. Villanueva is back in the country to share his learnings from the international training program.

The program, which was held from February 2 to March 27 in Hyderabad, underscored issues in decentralized generation and rural power distribution management. It gathered a total of 19 scholars from 9 participating countries.

According to Engr. Villanueva who was among the three representatives of the Philippines to the program, his two-month stint in India gave him the opportunity to gain insights from energy industry practitioners of his host country as they introduced solutions to the problems commonly encountered by fellow developing countries.

He added that the open discussions, in addition to site visits to Jurala Hydroelectric and Solar Power Plants and Solar Power Plant and Distribution Power Substation in Jaipur, created an avenue for shared inputs and learnings from his fellow participants.

In particular, Engr. Villanueva expressed gratitude to his supervisor, Mr. Sudhir Chopade, who guided him in the completion of his training report as part of the requirements of the program.

His paper discusses the fundamental principles, processes, and factors of how a solar Photovoltaic (PV) system produces its power and suggests applications not limited to rural areas with single household connections

to mini-grid concept, but also for small to large scale utilization for urban areas to smart-grid concept.

He said he is looking forward to sharing these insights with his colleagues when given the opportunity to work on a related project.

The training program was sponsored by the Ministry of External Affairs of India, and has been running since 2005.

### Programs. . . from 6

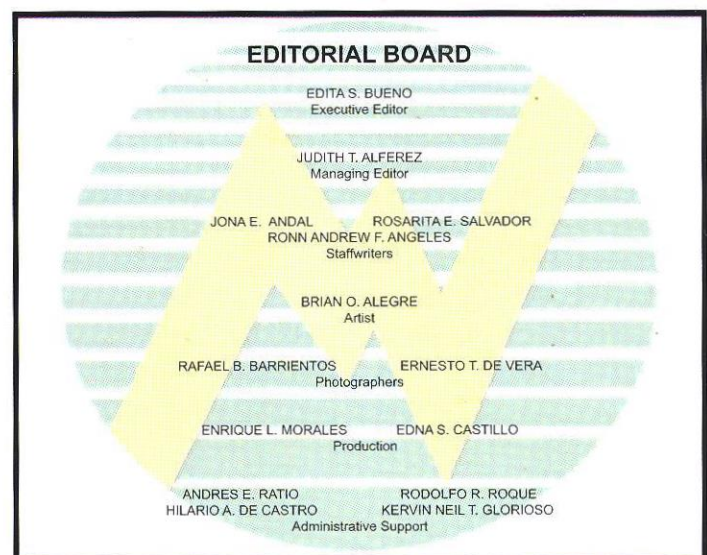
She added that "this can be the first ever in the electric distribution business that is cost-effective and is a needs-driven risk transfer."

BCM credit rating, on the other hand, is "proposed to be integrated as part of NEA's Key Performance Standards which will require Disaster Risk Resilience and Mitigation Plan."

"Interest rates will be set by the EC's disaster preparedness, which will be a financial incentive. The higher the rating of an EC, the lower will be its interest rates," she further added.

The international forum was held on the sidelines of the UN World Conference on Disaster Risk Reduction in Sendai, Japan on March 17.

With Administrator Bueno was Leyte II Electric Cooperative, Inc. (Leyeco II) General Manager Rosario Avestruz who also sat on the panel.



enerNEA is a quarterly publication of the Public Affairs Office,  
Tel. 929-2237 / 929-1909 loc. 153 Email: pao\_nea@yahoo.com / nea.pao@gmail.com