



## President Duterte switches on DOE, NEA electrification programs for ARMM



President Rodrigo Duterte, together with DOE Secretary Alfonso Cusi, TESDA Director-General Guling Mamondiong, and ARMM Gov. Mujiv Hataman, looks at the DOE and NEA electrification program switchboard which highlights accomplishments of ARMM electric cooperatives. The electrification program is part of the Duterte administration's Comprehensive Reform and Development Agenda for ARMM and Conflict-Affected Areas in Regions 9, 10, and 12 launched in Cotabato City on October 29, 2016.

President Rodrigo Duterte on October 29, 2016 led the switch-on ceremonies of the electrification programs of the Department of Energy (DOE) and the National Electrification Administration (NEA) in the Autonomous Region in Muslim Mindanao (ARMM) as part of his campaign to intensify peace and development efforts in the region.

The President was assisted by DOE Secretary Alfonso Cusi, Technical Education and Skills Development Authority (TESDA) Director-General Guling Mamondiong, and Autonomous Region in Muslim Mindanao (ARMM) Governor Mujiv Hataman.

A component of the program dubbed Comprehensive Reform and Development Agenda for ARMM and other Conflict-Affected

Areas in Regions 9, 10, and 12, the electrification programs form part of President Duterte's promise to create economic opportunities for the Bangsamoro and improve the quality of life in the region.

"I will improve the Moro land. *Bigyan niyo ako ng panahon.* You will have your own share of the development money," the President said in a ceremony held at the Shariff

## NEA welcomes new Administrator



NEA has formally welcomed Edgardo R. Masongsong as its new Administrator after being sworn in by Department of Energy (DOE) Secretary Alfonso G. Cusi on November 18, 2016 at the DOE Compound, Taguig City.

Before the Monday assembly of NEA officials and employees on November 21, NEA Administrator Edgardo Masongsong vowed to intensify in his first 100 days the implementation of the remaining Sitio Electrification Program (SEP) and Barangay Line Enhancement Program (BLEP) which he said would be in line with his vision "to achieve meaningful and emphatic changes for rural progress."

Administrator Masongsong, who was the former General Manager of the Bukidnon Second Electric Cooperative, Inc.

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**Switches... from 1**

Kabunsuan Cultural Complex in Cotabato City.

The electrification projects include NEA's Sitio Electrification Program (SEP) which has 21 ARMM sitios programmed for on-grid connection next year and the Barangay Line Enhancement Program (BLEP) which aims to reenergize barangay lines using upgraded engineering options.

For 2017, the Sulu Electric Cooperative, Inc. (SULECO) is targeting 12 sitios for energization, while Maguindanao Electric Cooperative, Inc. (MAGELCO) and Tawi-Tawi Electric Cooperative, Inc. (TAWELCO) are targeting seven and two sitios, respectively.

The said projects have a total evaluated cost of Php24,026,570.98.

DOE Secretary Alfonso Cusi has likewise expressed his commitment to empower the electric cooperatives (ECs) to fast-track electrification of households and

intensify development programs for ARMM.

"We have to find ways to energize all sitios and households to put people in the same level and be given the same opportunity. We need to empower the electric cooperatives *para madaliver ang serbisyo sa mga mamamayan,*" Secretary Cusi said.

From 2015 to October 15, 2016, ARMM ECs have so far energized 308 sitios, reaching an initial household connections of 1,775. MAGELCO energized the most number of sitios with 216, followed by the Basilan Electric Cooperative, Inc. (BASELCO) with 61, TAWELCO with 19, Siasi Electric Cooperative, Inc. (SIASELCO) with ten, and SULECO with two.

Under BLEP, ARMM ECs have, for the same period, enhanced the distribution lines of 40 barangays, with initial household connections of 266.

Contributing to the accomplishment

were MAGELCO with 18 barangay lines enhanced, TAWELCO with 11, SULECO with six, and BASELCO with five.

Meanwhile, President Duterte has also awarded a check amounting to Php13.833 million to MAGELCO General Manager Sultan Ashary Maongco for the implementation of the DOE-initiated Nationwide Intensification of Household Electrification (NIHE).

The program, which grants at least Php3,750 worth of subsidy to eligible households to cover financial requirements for house-wiring and additional service drops per housing unit, is expected to benefit 3,689 households within the coverage area of MAGELCO.

The program will be implemented in the municipalities of Ampatuan, Buldon, Matanog, Barira, Datu Abdullah Sangki, Datu Odin Sinsuat, Datu Piang, North Upi, Parang, South Upi, Sultan Kudarat, Sultan Mastura, Sultan Sa Barongis, Rajah Buayan, Talayan, Guindulungan, and Talitay.



President Rodrigo R. Duterte, assisted by DOE Secretary Alfonso G. Cusi, hands over to MAGELCO General Manager Ashary P. Maongco a check amounting to Php13.833 million for the implementation of the Nationwide Intensification of Household Electrification (NIHE) in the coverage area of the electric cooperative. The program, which grants subsidy to eligible households to cover costs for house-wiring and service drop, is expected to benefit 3,689 families in Maguindanao.

Welcomes... from 1



*DOE Secretary Alfonso Cusi administers the oath of office to Edgardo Masongsong as NEA's Administrator. As the 11th administrator of the Agency, Administrator Masongsong vows to intensify Rural Electrification Program, while also looking for ways to reduce power rate for the EC member-consumers.*

(BUSECO) and who previously was the Sectoral Representative of 1-CARE Party List to the 16th Congress, said that the implementation of SEP and BLEP will form part of his medium and long-term programs to “carry out Rural Development Program thru the Rural Electrification Program,” and will be done “in close coordination with the electric cooperatives (ECs), the Office of the President (OP), the DOE, and the Department of Budget and Management (DBM).”

“With my appointment, I have several agenda which I believe are in accord with the platform of government of our President. This includes, among others, medium and long-term programs, projects, and activities to complete the National Rural Electrification (RE) Program,” he said.

NEA's RE Program, of which SEP and BLEP are part, has

already brought power to a total of 11.59 million Filipino households, bringing the national energization level to 87%.

Within the ECs' franchise areas, towns and cities are already 100% energized, while barangays and sitios are 99.9% energized and 83% energized, respectively.

Administrator Masongsong added that electrification initiatives of the NEA will also include acceleration of the Nationwide Intensification of Household Electrification (NIHE) which is a program launched by DOE last year to provide power to at least 45,000 poor households nationwide.

The program intends to grant at least Php3,750 worth of subsidy to eligible households to cover financial requirements for housewiring and additional service drops per housing unit.

WELCOMES/6

## Task Force Kapatid mobilized for areas hit by Lawin and Nina

NEA and the ECs began on October 26, 2016 their mobilization efforts through Task Force Kapatid (TFK) in the typhoon Lawin-affected areas covered by the Cagayan I Electric Cooperative, Inc. (CAGELCO I), Isabela II Electric Cooperative, Inc. (ISELCO II) and Kalinga Apayao Electric Cooperative, Inc. (KAELCO).

This is in accordance with the directive of Department of Energy (DOE) Secretary Alfonso G. Cusi to facilitate immediate power restoration to alleviate living condition in some 294,321 households in the typhoon-ravaged areas.

Three teams composed of about 35 personnel from NEA and six ECs in Regions III, namely Nueva Ecija II-Area 1 Electric Cooperative, Inc. (NEECO II-A1), Pampanga Rural Electric Cooperative, Inc. (PRESCO), Pampanga I Electric Cooperative, Inc. (PELCO I), Peninsula Electric Cooperative, Inc. (PENELCO), Tarlac I Electric Cooperative, Inc. (TARELCO I) and Tarlac II Electric Cooperative, Inc. (TARELCO II), volunteered to extend help to their brother ECs.

Meanwhile, 25 linemen and engineers from First Laguna Electric Cooperative, Inc. (FLECO), Batangas I Electric Cooperative, Inc. (BATELEC I), Batangas II Electric Cooperative, Inc. (BATELEC II), Quezon I Electric Cooperative, Inc. (QUEZELCO I), and Quezon II Electric Cooperative, Inc. (QUEZELCO II) have also signed in to extend assistance to KAELCO.

Likewise, NEA is working in close coordination with the DOE, the National Grid Corporation of the Philippines (NGCP), and other concerned government agencies to repair distribution facilities of the 16 ECs

TASK FORCE/6



# 2016 NATIONAL ENERGY CONSCIOUSNESS MONTH (NECM)



Administrator Edgardo Masongsong heads the NEA contingent in participating in the opening ceremonies of the 2016 National Energy Consciousness Month (NECM). In the photo, the Administrator is flanked by NEA management staff and DOE Undersecretary Benito Ranque.



Administrator Masongsong, together with DOE Undersecretary Felix William Fuentebella and NEA Baord Member Victor Chiong, visits the Energy Awareness Exhibit at the NEA ground floor. Assisting the officials is ITCSD Department Manager Ana Rosa Papa.



Members of the NEA family flash their sweetest smiles after bagging the championship in the Inter-Agency Fun Games hosted by the DOE. The event was held on December 1 at the DOE Multi-Purpose Gym.



DOE Secretary Alfonso Cusi graciously poses with Administrator Edgardo Masongsong and the NEA contingent during the DOE Christmas celebration on December 16.



Members of the NEA family join other participants from the Energy Family in the Fun Run held on December 7 at the Ninoy Aquino Parks and Wildlife. The Fun Run was hosted by PSALM.



Members of the NEA family pose for photo opportunity after taking part in the bloodletting activity held on December 7 at the NPC Headquarters, Diliman, Quezon City.

# 2016 NEA CHRISTMAS CELEBRATION



Administrator Edgardo Masongsong, DOE Undersecretary Felix William Fuentebella, and NEA Board Members Agustin Maddatu and Victor Chiong switch on the NEA Christmas Tree at the NEA ground floor on December 1, signaling the start of the Christmas celebration at the Agency.

DOE Assistant Secretary Gerpy Erguiza, on behalf of DOE Secretary Alfonso Cusi, delivers a Christmas message for the NEA assembly. In his message, Assistant Secretary Erguiza underscores the need to develop meaningful ties with other people, as Christmas is "a story of relationships."



NEA's Lights and Sounds (L&S) Chorale gives a series of scintillating performances to liven up the NEA Christmas celebration.

Members of the Office of the Administrator raise their fists after clinching the championship in the 2016 Christmas Sectoral Competition.





### 👉 Welcomes... from 3

Measures to reduce power rate are also among the pressing concerns for the Administrator.

As chief of the NEA, he said lowering the power rate will be given “special attention” to help electricity consumers within the coverage area of the ECs.

Administrator Masongsong said, “I will endeavour to give special attention to courses of action that will redound to the reduction of the power rate for the benefit of the electricity consumers.”

Some of the measures he outlined toward this end include “(1) looking into the power supply agreements (PSAs) and related contracts entered into by ECs, its leadership and management, with the generating companies, specifically those that impose skyrocketing cost of electricity for appropriate rectification/remedial measures, (2) reviewing the procurement procedures of the ECs for the Capital Expenditure (CAPEX) Projects’ requirement and implementing policy changes geared toward bulk buying, direct importation, and other marketing strategies to minimize purchase costs that will ultimately redound to cheap power rate, and (3) formulating strategies for the reduction of system losses (SL) of the ECs, it being considered as contributory to the high cost of electricity.”

“ECs must continue to effectively implement their systems loss reduction program, as it impacts the cost of electricity shouldered by the consumers,” the Administrator added.

The national systems loss for 2015 stands at 11.12%, representing a 0.55% reduction from 11.67% in 2014, and is 1.88% lower than the 13% cap set by the Energy Regulatory Commission (ERC).

The reduction in systems loss has an equivalent savings of 71,258,654 kWh

### 👉 Task Force... from 3



**TOP:** NEA sends off Task Force Kapatid (TFK) on December 1, 2016 for deployment in the areas hit by typhoon Lawin. **BOTTOM:** Volunteers of TFK-Nina repair a fallen pole within the coverage area of the First Catanduanes Electric Cooperative, Inc. (FICELCO).

devastated by typhoon Nina. As of December 30, some 1.75 million households have been affected by the typhoon.

The first wave of TFK-Nina is expected to come from neighboring areas in Regions I, III, VI, and VIII, and will be deployed in the hard-hit areas of Camarines Sur, Albay, Catanduanes, and Oriental Mindoro.

In a press briefing held on December 27 at the NGCP, NEA Administrator Edgardo Masongsong said, “NEA

or about Php487,979,263.22 for the ECs’ member-consumers.

As a supervisory body to 121 ECs nationwide, NEA regularly monitors ECs’ distribution system parameters such as systems loss and reliability, circuit kilometers, and substation capacity to ensure that they remain operationally reliant and technically

has already received pledges of commitment of some 40 ECs with an estimated 400 manpower, as volunteers for the mobilization of Task Force Kapatid. We are targeting two weeks to rehabilitate the major lines and another two weeks for the hard-to-reach areas.”

Administrator Masongsong has also stated that NEA will initially allocate a total of Php300 million in calamity loans to fund the infrastructure requirements of the affected ECs.

efficient in delivering service to their member-consumer-owners.

To introduce measures toward power rate reduction, the new Administrator also promised to study proposals that will allow subsidies to be given to lifeline consumers, senior citizens, and other indigent households with no access yet to power.

## NEA tops energy efficiency tilt

State-run National Electrification Administration (NEA) led the 10 outstanding recipients of this year's Energy Efficiency and Conservation in Government Buildings Award, after generating energy savings at 43.53%.

At the awarding ceremonies held on December 12, 2016 at the Resorts World Manila, Pasay City, NEA was cited for its commendable accomplishments in its conservation initiatives resulting in the realization of energy savings amounting to Php6.9 million.

The energy savings is equivalent to 699 MWH and CO2 avoidance of 358 tons as against the average energy consumption baseline year in 2004. It has likewise been given a grade of 95% in its energy audit spot check.

The award was given by the Department of Energy (DOE) under the Government Energy Management Program.

NEA Administrator Edgardo Masongsong said, "As we carry on the corporate governance program of NEA, I am glad that NEA's strong workforce is one with the Management

in its bid towards excellent service through adoption and employment of unique and best practices that will consequently redound to the benefit of its clients, customers and stakeholders."

"Providing our partner electric cooperatives and the power consumers the best opportunity to improve their way of life is our inspiration to create positive changes in government service," he added.

Receiving the recognition for NEA were Deputy Administrator for Corporate Resources and Financial Services Sonia San Diego and General Services Acting Manager and EnerCon Program Manager Enrique Morales.

For the past years, NEA has institutionalized various measures aimed at improving its operational efficiency and service for the clients. These measures, which cover corporate governance, quality management system, accounting system, and media relations have been recognized locally and internationally, and are now considered best practices of the Agency.

## CESB cites NEA for timely compliance to performance evaluation



The Career Executive Service Board's (CESB) has cited the NEA for its efficient and timely compliance to the Online Career Executive Service Performance Evaluation System (CESPES) for third level executives.

In an awarding ceremony held on November 28, 2016 at the Bureau of the Treasury, Cainta, Rizal, NEA was given the distinction along with other institutional partners of CESB, namely the Bureau of Internal Revenue (BIR), the National Telecommunications Commission (NTC), the National Police Commission (NPC), the Commission on Higher Education (CHED), and the Philippine Overseas Employment Administration (POEA).

Department Managers Diana San Luis and Ana Rosa Papa received the award on behalf of the NEA Administrator.

Administrator Edgardo Masongsong said, "NEA has always strived for excellence in government service because we want our best practices to be an example for other institutions. Together with the electric cooperatives, NEA will continue to upgrade its operational efficiency to better serve the power consumers."



Deputy Administrator Sonia San Diego (leftmost) receives the plaque of recognition from DOE for achieving the highest rating for energy efficiency and conservation among national government agencies. The awarding ceremony was held on December 12, 2016 at Resorts World Manila, Pasay City.



# NEA is now ISO 9001:2015-certified



NEA has demonstrated anew its compliance to international quality standards after successfully passing last November 10, 2016 the second surveillance audit of the ISO 9001 with upgrade to 2015 standard. This places NEA among the first national government agencies to be upgraded to the 2015 version and confirms the effectiveness of its Quality Management System (QMS).

the Sitio Electrification Program (SEP), active involvement in the implementation of the On-Grid Sitio Electrification Projects\* under the Bottom-Up Budgeting (BuB) Program, upgrading of its network performance, publication of informational materials, and systematic keeping of records and documentation of organizational processes and initiatives.

TÜV Rheinland said, "At our table assessment, NEA substantially complied with all the requirements of ISO 9001:2015. However, there are areas that still need to be improved on. We congratulate NEA for successfully migrating from its 2008 version to the 2015 version."

On November 10, 2016, NEA was likewise presented the Government Quality Management Program Award, recognizing its successful earning of the ISO 9001:2008 certification on February 10, 2015.

The scope of certification covers the three legs of the organizational mandate of the NEA which is "to provide financial, institutional, and technical assistance to the electric cooperatives (ECs) which in turn undertake power distribution on an area coverage basis."

NEA Administrator Edgardo R. Masongsong said, "Now that we are inaugurating a people-centered leadership under President Rodrigo R. Duterte, the NEA is also doubling its efforts to maintain its corporate governance program to be able to serve best the electric cooperatives and their member-consumers."

"NEA's upgrade to ISO 9001:2015 certification is a proof of our unceasing desire to improve our operational performance and strengthen our alliance with the ECs to meet and even exceed the growing expectations of our power consumers," Administrator Masongsong added.

TÜV Rheinland, NEA's certifying body, noted in its report that "the organization has established, and maintains an effective system to ensure compliance with its policy and objectives." It added, "The audit team confirms in line with the audit targets that the organization's management system complies with, adequately maintains and implements the requirements of the standard(s)."

In successfully passing the second surveillance audit, NEA registered zero nonconformity in the processes surveyed and showed a number of notable positive findings which backed its bid for the award of the certificate.

Among the positive findings observed by TÜV Rheinland are NEA's overshooting of its target for

Awarded by Department of Budget and Management (DBM) Secretary Benjamin Diokno, Department of Trade and Industry (DTI) Secretary Ramon Lopez, Department of Interior and Local Government (DILG) Secretary Ismael Sueno, Office of the President (OP)-Internal Audit Office Deputy Executive Secretary Alberto Bernardo, and Development Academy of the Philippines (DAP) President Antonio Kalaw, Jr., NEA bears the distinction of being the first government-owned and controlled corporation (GOCC) to be given the 2008 version of the certification.

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