



18 December 2018

MEMORANDUM No. 2018-074

TO : ALL ELECTRIC COOPERATIVES
SUBJECT : Attainment of Total Electrification

May we furnish you with the attached letter of Director Mario C. Marasigan of the Department of Energy (DOE) to Energy Regulatory Commission (ERC) Chairperson Agnes VST Devanadera, copy furnished NEA, requesting the Commission to provide DOE with a copy of the latest reliability data of all the Distribution Utilities particularly the Electric Cooperatives (ECs).

Said request was emanated from the directives of DOE Secretary Alfonso G. Cusi to attain Total Electrification by 2022 with the end view of providing reliable, quality and reasonably-priced electricity. As stipulated in the said letter, the data will be used to facilitate the conduct of a policy study that will determine whether certain areas may be carved out from the existing franchise areas of the DUs for failure to provide acceptable level of electricity service and offer the same to qualified new service providers.

Accordingly, you are advised to be more proactive in addressing this concern to protect the paramount interest of the ECs and the Member-Consumer-Owners (MCOs).

Thank you.

EDGARDO R. MASONGSONG
Administrator

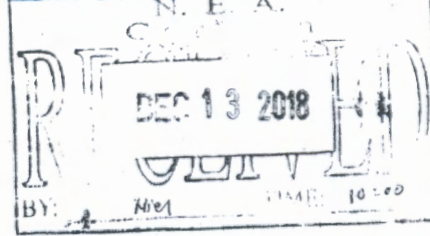


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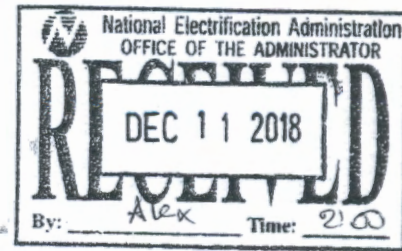
Republic of the Philippines
DEPARTMENT OF ENERGY



6 December 2018

ATTY. AGNES VST DEVANADERA

Chairperson and CEO
Energy Regulatory Commission
Pacific Center Building,
San Miguel Ave., Ortigas Center,
Pasig City 1600
Telefax No.: (02) 631-5806



Dear Chairperson Devanadera:

We refer to the instruction of Secretary Alfonso G. Cusi to attain total electrification of the country by 2022 with the end in view of providing reliable, quality and reasonably-priced electricity services to all consumers.

One major issue being resolved under the program is the failure of some Distribution Utilities (DUs) to provide an acceptable level of electricity service to some municipalities and other areas within their franchise areas based on applicable performance standards. Many of these areas have low load density and are deemed too distant from the main load centers, reflecting current inefficiency of the present franchise configuration.

One strategy for the Government is to identify these areas and study whether said areas may be carved out from the existing franchise area of the DU and offer the same to qualified new service providers through concession, franchise modification, and other options. Such approach will also allow the DUs to focus on the operational efficiency enhancement of their performance in the viable parts of their franchise.

To facilitate the above policy study, we would like to request the ERC to provide us a copy of the latest available reliability data (preferably at feeder level) of all the DUs particularly the Electric Cooperatives for our reference. Likewise, same data will be used in the prioritization of DUs to be subjected to assessment and audit in relation to the on-going activity of the DOE, the Performance Assessment and Audit of All Generation, Transmission and Distribution Systems and Facilities.

Mr. Kenneth Jack P. Muñoz of the Power Planning and Development Division. He can be reached by telephone at 840-2173 or 479-2900 loc. 386 and email at kenetmunoz@gmail.com.

Thank you for your usual cooperation.

Very truly yours,


MARIO C. MARASIGAN, CESO III
Director IV
Officer-in-Charge
Electric Power Industry Management Bureau

CC: Undersecretary Felix William B. Fuentebella
Assistant Secretary Redentor E. Delola
Administrator Edgardo R. Masongsong, NEA

ADICE/TBE/ECT/RTP/K/PM

