

The background of the entire page is a photograph showing the silhouette of a utility worker on a power pole. The worker is positioned on a cross-arm, working with wires. The sky is a gradient from a deep blue at the top to a bright orange at the bottom, suggesting a sunset or sunrise. Several power lines crisscross the frame.

Semi-Annual Report on the Initiatives and Activities on Rural Electrification

**2nd
Semester
2021**

Office for Performance Assessment and Special Studies

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**SEMI-ANNUAL REPORT ON THE INITIATIVES AND ACTIVITIES ON RURAL
ELECTRIFICATION AND NEA INTERVENTION ON AILING ECs**
Second Semester 2021

I. INTRODUCTION

Pursuant to Section 3 of the Republic Act No. 10531, otherwise known as the National Electrification Administration Reform Act of 2013, it is a national policy to promote sustainable development in the rural areas through rural electrification. It also empowers and strengthens the National Electrification Administration (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.

Likewise, Section 29 of the Implementing Rules and Regulations (IRR) of RA 10531 provides that to enhance the effectiveness of the Joint Congressional Energy Commission (JCEC), in the exercise of its oversight function over the implementation of the Act, the Board of Administrators shall submit to the JCECC a semi-annual report on the initiatives and activities of rural electrification, including the supervision of the NEA over the electric cooperatives (ECs) in the performance of their franchise obligations.

This report summarizes the status of the NEA's initiatives and activities on rural electrification, and interventions extended to the electric cooperatives in the exercise of its supervisory functions. The data contained herein were approved by the NEA Board of Administrators on **February 23, 2022** under RB Resolution No. 2022-17.

II. EXECUTIVE SUMMARY

The Philippines is on its second year of coping with the virus that has affected the whole world. Different Alert levels, were implemented for 2021 to mitigate the transmission of the COVID-19 in the community and with the relaxation of restrictions towards the end of the year, the NEA and ECs were able to continue the pending plans and programs to pursue their mandate and provide uninterrupted delivery of service to all the stakeholders and the general public.

The following are the highlights of the NEA's initiatives and interventions on rural electrification for 2021.

1. Acceleration of the Rural Electrification through Sitio Electrification Program (SEP)

As of December 31, 2021, the NEA, in partnership with the electric cooperatives, energized and completed 1,096 sitios. This accomplishment redounds to the provision of electric service to additional 582,083 consumers in the EC franchise areas.

A cumulative total of 126,219 sitios was energized or 85% of the total 148,385 potential and 14.84 million connected consumers or 103% of the 14.34 million. Potential consumers are based on the 2015 census of population, the latest official

report of the Philippine Statistics Authority. The 14.84 million connected consumers include additional connections in cities/municipalities with 100% energization.

2. Release of Subsidy Fund for SEP and natural calamities

NEA was able to process and release a total of PhP 1,856.75 million subsidy fund for 85 ECs for the year 2021. This is broken down into PhP 1,304.90 million for Sitio Electrification Program and PhP 551.85 million for calamity.

3. Approval and Release of Loans and Credit Accommodations to the ECs

The NEA approved and released a total of PhP 676.79 million for 28 ECs for 2021 broken down into PhP 583.06 million for CAPEX requirements and PhP 93.73 million for Calamity loans.

4. Capacity Building Programs for NEA and ECs

The Agency offered one hundred-eight (108) trainings and scholarship programs on management, leadership and operational skills for both the NEA and the ECs for 2021. They were participated by 3,057 officials and staff nationwide.

- a. For NEA management and associates, the Agency conducted 67 trainings and scholarship programs with 996 participants
- b. In line with the NEA's seven (7) point agenda on the "Intensification of Capacity Building Programs for ECs, the Agency trained 2,061 EC officials and staff in 41 capacity building programs.

5. Summary of Approved Policy Guidelines and Procedures for the Fulfillment of NEA Statutory Obligations

The NEA Board of Administrators confirmed and approved a total of nine (9) new, and three (3) amended and revised policy guidelines from January to December 2021 as part of the statutory obligations and regulatory functions of NEA over the electric cooperatives.

6. Renewable Energy Development

In line with the government's thrust of accelerating the development of renewable energy resources to address climate change, the NEA initiated and has ongoing activities for the following undertakings:

- a. Subsidized Renewable Energy Projects which include Expanded Household Electrification Program (Expanded HEP) and Expanded Sitio Electrification Program (Expanded SEP)

- b. Projects under the European-Union Access to Sustainable Energy Programme (EU-ASEP) which include Integration of Productive Uses of Renewable Energy for Sustainable and Inclusive Energization in Mindanao (I-PURE Mindanao), Solar PV Mainstreaming (PVM) Program Windows 1 and 2 and Rural Network Solar (RNS)
- c. Other assisted projects which include:
 - Installation of Solar Facility including Net Metering Application and Equipment for the ten (10) Public Schools in the coverage area of BATELEC II
 - Establishment of Electric Cooperative-Owned Distributed Generation Facility which aims to empower all electric cooperatives by having their own renewable energy generation facilities, either wholly owned or partly owned through Joint Venture and other schemes.

7. Status Ailing ECs and NEA Interventions

There are seven (7) remaining ailing or underperforming ECs. These include ABRECO, ALECO, MASELCO, BASELCO, SULECO, TAWELCO and LASURECO.

To ensure that these ECs provide better services to their member-consumer-owners and to prevent further deterioration of the ECs operations, the NEA has done the following interventions:

1. Assignment of Acting General Managers and Project Supervisors
2. Organization of Task Force and Management Teams
3. Appointment of NEA representatives to the EC Board of Directors (BODs) and installation of Executive Officer
4. Formulation and issuance of new and relevant policies and guidelines
5. Round Table Assessment and Dialogue
6. Review and approval of Strategic Development Plan (SDP), Sustainability Plan (SP) and Operation Improvement Plan (OIP)
7. Monitoring and evaluation of accomplishment reports versus the approved Plans (SDP, SP, and OIP) to ensure that all projects are properly and efficiently implemented
8. Capacity Building to enhance EC staff in financial, technical, institutional aspects in managing electric distribution utilities
9. Assistance in the Comprehensive Selection Process for New Power Provider
10. Comprehensive EC Audit
11. Annual and Quarterly EC Performance Assessment
12. Service facilities
 - a. Loan and Guarantee Service
 - b. Institutional Strengthening and Technical Assistance

III. DETAILS OF THE INITIATIVES AND ACTIVITIES ON RURAL ELECTRIFICATION

1. STATUS OF RURAL ELECTRIFICATION PROGRAM

The expansion of the reach of electricity supply to rural areas would not be economically viable for commercial providers of electricity. Thus, the NEA, together with its implementing arm, the ECs has been mandated to provide for such services under the Rural Electrification Program by virtue of Section 2 of Republic Act No.10531 or the NEA Reform Act of 2013. The Program is one of the basic requirements in the promotion of sustainable development in the countryside even in missionary or economically unviable areas.

The program is aligned with President Duterte's agenda of "Access to Electricity for All" and the Department of Energy's vision that all Filipinos should have access to basic electricity by 2020.

In the NEA's 7-point agenda, number one priority is the completion of the National Rural Electrification Program and the carrying out of rural development through the Rural Electrification Program. The by-word is to accelerate program implementation towards achievement of 100% electrification.

To support the above agenda, the NEA established and revised its current programs into a comprehensive Strategized Total Electrification Program (STEP). It integrates various electrification programs, to include the following:

1. Expanded Sitio Electrification Program (Expanded SEP);
2. Barangay Line Enhancement Program (BLEP); and
3. Expanded Household Electrification Program (Expanded HEP) for on-grid and off-grid areas.

SITIO ELECTRIFICATION PROGRAM (SEP)

The approved target for Sitio Electrification Program in 2021 is the energization of 1,085 sitios. This target was laid out in consideration of the continuing threat of the COVID-19 pandemic. The challenges encountered during the onslaught of the pandemic in 2020 continue to hamper the delivery of service to the Member-Consumer-Owners particularly those in the far-flung areas of the country. Despite these risks and challenges, NEA still commits to achieve its target of sitio electrification to realize the vision of sustainable rural development.

Despite all these encountered challenges, the NEA through the ECs, was able to energize 1,096 sitios. ECs in Luzon implemented 286 sitios, 268 were energized in the Visayas and Mindanao ECs which has the remaining highest potential unenergized sitios, completed and energized the highest with 542. This brought to a cumulative total of 126,219 energized sitios.

Table 1. Status of Sitio Electrification per Island/per Region

LUZON		VISAYAS		MINDANAO	
I	24	VI	88	IX	26
II	16	VII	146	X	156
CAR	30	VIII	34	XI	56
III	24			XII	147
IV-A	52			CARAGA	119
IV-B	82			ARMM	38
V	58				
TOTAL	286	TOTAL	268	TOTAL	542
NATIONAL					1,096

CONSUMER CONNECTIONS

As a result of the Agency's electrification program, the connection of 400,000 potential consumers is targeted to be achieved for 2021. This includes connections through expansion and add-ons. Expansion refers to those connected consumers as an effect of the Sitio Electrification Program while add-ons mean connected consumers in areas already energized.

As of December 2021, the total connected consumers are 582,083 which is 146% of the annual target of 400,000. Among the major islands, Luzon implemented the highest with 243,861 connections, followed by Mindanao with 185,372 and the Visayas with a total of 152,850 energized consumers. The total cumulative consumer connections are 14.835 million.

Table 2. Status of Consumer Connection per Island, per Region

LUZON		VISAYAS		MINDANAO	
I	39,517	VI	65,868	IX	40,853
II	25,237	VII	44,836	X	36,585
CAR	14,083	VIII	42,146	XI	24,967
III	68,003			XII	50,566
IV-A	33,343			BARMM	3,940
MIMAROPA	28,535			CARAGA	28,461
V	35,143				
TOTAL	243,861	TOTAL	152,850	TOTAL	185,372
NATIONAL					582,083

2. STATUS OF SUBSIDY FUNDS RELEASED

The budget for Rural Electrification Program forms part of the General Appropriation Act passed by both Houses of Congress. Following the area coverage scheme in Presidential Decree 269 of 1973, electrification now extends from the economic centers to the thinly settled areas including the missionary and economically unviable areas by virtue of Republic Act 10531. In 2011, the government has instituted the implementation of the Sitio Electrification Program through the NEA and ECs and subsidy fund was provided to pursue 100% electrification of the country. The approved subsidy fund for year 2021 is PhP 2,498 million with an additional fund of PhP 22.28 million for the repair and rehabilitation of Lanao del Sur Electric Cooperative, Inc. (LASURECO).

Likewise, subsidy fund for EC Emergency Resiliency (ECERF) was also provided in the amount of PhP 750 million so that ECs are assured of the availability of funds in times of fortuitous event or force majeure.

Compared with the subsidy released for 2020 amounting to PhP 1,277.24 million, there is a 45% increase or PhP 579.51 million as against the release of PhP 1,856.75 million for 2021. Funding source for the releases to ECs in 2021 are from the previous subsidy grants provided to NEA by the national government.

Below is the comparative status of subsidy releases for 2021 versus 2020.

TABLE 3. Comparative Status of Subsidy Releases

Major Islands	2021	2020	Difference	Percent Change
LUZON	594.75	559.88	34.87	6
VISAYAS	622.66	244.24	378.42	155
MINDANAO	639.34	473.12	166.22	35
NATIONAL	1,856.75	1,277.24	579.51	45

As of December 2021, PhP 1,856.75 million subsidy funds have been released to 85 ECs. Out of these funds, PhP 1,304.90 million was released for electrification purposes and PhP 551.85 was released as calamity subsidy for the rehabilitation of typhoon - damaged electric distribution system and restoration of electric service. Of these, the highest allocation of thirty-four (34) percent or a total of PhP 639.34 million was released to ECs in Mindanao, likewise thirty-four (34) percent in Visayas and thirty-two (32) percent were released to Luzon ECs with the amount of PhP 622.66 and PhP 594.75 respectively.

TABLE 4. Distribution of subsidy funds (PhP Million) in three major island groups

Major Islands	Electrification	Calamity	Total	% to Total
LUZON	310.67	284.08	594.75	32
VISAYAS	354.89	267.77	622.66	34
MINDANAO	639.34	-	639.34	34
NATIONAL	1,304.90	551.85	1,856.75	100

3. STATUS OF LOANS AND CREDIT ACCOMMODATIONS TO ECS

One of the major services of the NEA to the electric cooperatives is the provisions or facilitation of loan based from the provisions stated in PD 269 and Section 5(o) of RA 10531. Loans and credit accommodations to the ECs are for their capital requirements intended for rehabilitation/upgrading, expansion and construction of the electric distribution system and to augment insufficient fund for power accounts and working capital.

As of December 2021, NEA was able to facilitate the financial requirements of twenty eight (28) ECs relating to a total of PhP 676.79 million for capital projects, calamity loans and working capital.

Compared with the same period last year, there was an increase of 54% on loan releases to ECs with the amount of PhP 439.98 for 2020 as against PhP 676.79 for 2021. The table below shows the comparison of loans released broken down into three major island groups.

Table 5. Comparative Status of Loan Releases

Major Islands	Second Semester 2021	Second Semester 2020	Difference	Percent Change
LUZON	380.74	273.20	107.54	39
VISAYAS	49.89	29.58	20.31	69
MINDANAO	246.16	137.20	108.96	79
NATIONAL	676.79	439.98	236.81	54

The highest availment of loan for 2021 were the Luzon ECs with PhP 380.74 million or 56%. The second are the ECs in Mindanao with PhP 246.16 million or 36% and the remaining 8% or PhP49.89 million were released to Visayas ECs.

The top five (5) regions that availed loans are Region IV-A (PhP 112.42M), Region X (PhP 96.61M), Region I (PhP 95.04M), Region V (PhP 82.74M) and Region XI (PhP 66.84M).

Regional status is presented in the following table:

Table 6. Status of Loan Releases per Region (PhP Million)

LUZON		VISAYAS		MINDANAO	
I	95.04	VI	3.46	IX	16.71
II	-	VII	46.44	X	96.61
CAR	30.07	VIII	-	XI	66.84
III	60.47			XII	8.48
IV-A	112.42			BARMM	-
MIMAROPA	-			CARAGA	57.52
V	82.74				
TOTAL	380.74	TOTAL	49.90	TOTAL	246.16
NATIONAL					676.79

4. CAPACITY BUILDING PROGRAMS FOR NEA AND ECs

NEA continues to be a learning institution as it carries out the statutory obligations for structural reforms stated in Republic Act 9136 (EPIRA) and RA 10531 (NEA Reform Act). Capacity building programs such as competency seminars, trainings and local scholarship services are still being conducted for NEA and EC personnel. The continuous threat of the pandemic and other natural calamities may have hindered the conduct of face to face gatherings, however, the Agency was able to adopt to the “new normal” and the digital environment. The synchronous activities implemented last year continue to be the initiative of the Agency for 2021 with the use of available online platforms.

For 2021, there were one hundred eight (108) trainings and scholarship programs conducted and facilitated for both the NEA and ECs with a total of 3,065 personnel capacitated. Out of the 108 programs, sixty-seven (67) were facilitated for NEA associates and was attended by 996 participants. Forty-one (41) were conducted for EC management and staff and 2,061 were capacitated in different disciplines (Table 7)

TABLE 7. 2021 Summary of Capacity Building Programs

Particulars	NEA			ECs			GRAND TOTAL
	1st Sem	2nd Sem	Total	1st Sem	2nd Sem	Total	
Number of Training and Local Scholarship Programs	53	14	67	27	14	41	108
Number of Staff Capacitated	763	233	996	1,520	541	2,061	3,065

The following are the trainings and scholarship programs conducted and facilitated for NEA associates for during the Second Semester of 2021:

PROGRAM	NUMBER OF PARTICIPANTS	Date conducted	
		Start	End
Mandatory Continuing Legal Education (MCLE)	9	July 03,10,17, 24, 31, 2021	
The Philippine Bidding Documents (LS)	2	07/06/21	07/08/21
Technical Report Writing	30	July 21-23, 26, 2021	
Fraud Auditing for ECs	5	08/16/21	08/20/21
Survey Operations and Questionnaire	1	08/31/21	09/03/21
Webinar on RA 9184 and Its Revised IRR	62	08/23/21	08/27/21
Online Seminar on Database Management and Data Analysis using MS Excel	15	10/19/21	10/22/21
Training Needs Analysis Towards Course Design (Local Scholarship)	4	10/27/21	11/10/21
Skill Lab: Harmonization of the PGS with ISO (Local Scholarship)	5	11/25/21	11/26/21
Online Seminar on Database Management and Data Analysis using MS Excel	14	11/29/21	12/03/21
Public Financial Management Competency Program (PFMCP) - Foundation Track	41	12/07/21	12/20/21
Masterclass on Governing with Analytics: Building a Predictive Enterprise (Local Scholarship)	3	12/10/21	12/10/21
Gender Sensitivity Training	22	12/13/21	12/16/21
Defensive Driving and Effective Vehicle Operations and Maintenance Seminar	20	12/18/21	12/19/21

For the EC management and staff, the following trainings had been facilitated for the second semester of 2021:

PROGRAM	NUMBER OF PARTICIPANTS	Date conducted	
		Start	End
Safety Leadership Seminar for ECs	41	07/06/21	07/09/21
Seminar on Utility Accounting and Information Systems Audit for ECs	72	07/13/21	07/16/21
Customer Relations Management System	34	07/19/21	07/26/21
Seminar on Information Technology (IT) Auditing	41	07/26/21	07/30/21
Technical Report Writing	29	08/10/21	08/13/21
Fraud Auditing	41	08/16/21	08/20/21
Safety Leadership Seminar for ECs	58	08/17/21	08/20/21
Introduction to Competencies and their Role in organizations	25	09/01/21	09/03/21
Advanced Supervisory Development Course (SDCII)	36	09/07/21	09/10/21
Customer Relations Management System for ECs	34	09/13/21	09/17/21
Seminar on Revised Procurement Guidelines and Simplified Bidding Procedures for ECs (IRR-RA 10531)	20	08/11/21	09/17/21
Customer Relationship Management System for ECs	29	09/27/21	10/01/21
Seminar on Revised Procurement Guidelines and Simplified Bidding Procedures for ECs (IRR-RA 10531)	15	09/29/21	10/01/21
Online Cooperative Management Course I (CMC I)	66	12/14/21	12/15/21

5. SUMMARY OF APPROVED POLICY, GUIDELINES AND PROCEDURES FOR THE FULFILLMENT OF NEA STATUTORY OBLIGATIONS

In accordance with the expanded powers and functions under Section 5 of RA 10531 and Section 5 of its IRR, the following policies and guidelines were formulated and have been approved by the NEA Board of Administrators. The purposes are to ensure fulfillment of the NEA’s mandate and to provide guidance and directions to the electric cooperatives in order to improve their performance to the highest efficiency level and the success in the implementation of plans, programs and targets.

There are six (6) new policies and guidelines approved by the NEA BOA and two (2) existing policy guidelines that was amended for the second semester of 2021. This makes a total of nine (9) new policies and three (3) amended policies from January to December 2021. The policy and guideline shall take effect upon the confirmation and approval of the NEA Board of Administrators and 15 days upon filing with the University of the Philippines (UP) Law Center pursuant to the Presidential Memorandum Circular No.11, dated October 9, 1992.

Below is the list of Policy Guidelines approved for the second semester of 2021.

Date Approved	Particulars
September 27, 2021	Guidelines in the Candidacy of EC Officials and Employees for 2022 National and Local Elections
November 29, 2021	Policy on EC Investments
November 29, 2021	Revised Policy on the Selection, Hiring, Termination of Service / Suspension for General Managers of Electric Cooperative
November 29, 2021	Revised Policy Guidelines on the Conduct of Examination and Interview for Applicants to the Position of General Managers of Electric Cooperatives
November 29, 2021	Policy on the Qualification/s of a General Manager (GM) who would be Assigned as an Acting General Manager (AGM) to a Neighboring Electric Cooperative (EC)
November 29, 2021	Policy on the Qualifications of Non-NEA Personnel or Non-EC Personnel to be Assigned as Project Supervisor (PS) and/or Acting General Manager (AGM) of an Electric Cooperative (EC)
November 29, 2021	Policy on Appointment or Assignment of a Task Force to an Electric Cooperative
November 29, 2021	NEA Hybrid Work Arrangement and Internal Guidelines

6. RENEWABLE ENERGY DEVELOPMENT

The Philippines has set a goal to harness renewable energy (RE) as an essential part of the country's low emission development strategy and address challenges of energy sustainability, security, and equity. In support of this strategy and the government's Green Energy Option Program (GEOP), the NEA continues to promote the development of renewable energy. This initiative also aims to accelerate rural electrification program and obtain sustainable socioeconomic development in the far-flung areas of the country where on-grid access to electricity is not feasible. Relative to this, the following are the NEA's activities to achieve these goals:

A, NEA's Subsidized Renewable Energy Projects

1. Expanded Household Electrification Program (Expanded HEP)

The NEA has allotted PhP153 million for the Expanded Household Electrification through Solar Photovoltaic (PV) Mainstreaming Program. It is designed to bring electricity to the most dispersed and isolated households, unviable for grid connection for the next five years. The target is to electrify at least 5,000 households using 50 Wp Solar Home System (SHS) units.

Electric Cooperative	Beneficiaries (Number of Households)	Implemented
CASURECO IV	878	100% installed. Completed with CFIA Date inspected: July 13-23, 2021
ILECO III	931	100% installed. Completed with CFIA Date inspected: August 17-27, 2021
BISELCO	1,200	100% installed. Completed with CFIA Date inspected: November 2-8, 2021
ZANECO	967	100% installed. Completed with CFIA Date inspected: November 4-10, 2021
COTELCO	1,063	100% installed. For schedule of Final Inspection
TOTAL	5,039	

As of December 2021, FAT-Light was already done and all of the SHS units have been delivered and installation and energization of 100% or 5,039 household had been implemented.

2. Expanded Sitio Electrification Program (Expanded SEP)

The project was allocated with PhP 12 million budget for the conduct of feasibility study on establishing Mini-Grid System with Renewable Energy Source. The feasibility study is directed to provide electricity to six (6) off-grid locality in the franchise areas of three (3) EC beneficiaries, namely QUEZELCO II, ZANECO, SOCOTECO II which aims to put up either mini-grid community using only a renewable energy source or hybrid mini-grid community.

Quezon II Electric Cooperative, Inc. (QUEZELCO II) submitted requirements for three (3) barangays namely: 1) Brgy. Carlagan, Burdeos, Quezon; 2) Brgy. Rizal, Panukulan, Quezon and 3) Brgy. Cabungalunan, Burdeos. Zamboanga Norte Electric Cooperative, Inc (ZANECO), likewise, submitted requirements for Brgy Selinog, Dapitan City, while South Cotabato II (SOCOTECO II) submitted requirement for barangays J.P. Laurel and Tamban, Sarangani Province.

The bid for the QUEZELCO II project was already awarded to the winning bidder and awaiting the signature of the Memorandum of Agreement (MOA) by both parties before the project shall commence. For ZANECO & SOCOTECO II, the bidding process was already undertaken and are now awaiting the release of subsidy funds.

B. Assisted Projects under the European Union - Access to Sustainable Energy Programme (EU-ASEP)

1. Solar PV Mainstreaming (PVM) Program Window 2

The Solar PV Mainstreaming Programme (PVM) is an off-grid electrification scheme, wherein EC will operate and maintain individual solar home systems (SHS) to dispersed households in the 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 to assess the activities done during Window I program 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 in PVM Window 1 namely COTELCO, DASURECO, SUKELCO and SOCOTECO II were joined by additional two ECs for the PV Mainstreaming Window 2, FIBECO and BUSECO. PVM Window 2 is allocating additional 30,500 HH to be energized by SHS.

The 30,500 units is scheduled for delivery on the last quarter of 2021 in three tranches.

2. Rural Network Solar (RNS)

The “Rural Network Solar” (RNS) is another component under the European Union - Access to Sustainable Energy Programme (EU-ASEP) with the objective of promoting development of small grid connected solar PV power plants installed either at the distribution substations in the EC franchise area or somewhere close.

This program is designed to encourage the ECs to utilize renewable energy sources without requiring increase in tariffs. The EU-ASEP will provide the subsidy amounting to seven (7) million euros or PhP420 million as a capital-cost for seven (7) projects. Each project will receive one million Euros (maximum) donation or approximately PhP 63.86 million. The ECs will shoulder 30% (maximum) as equity and secure Certificate of Registration (COR) for Own-Use.

Seven (7) ECs were assessed and identified as the potential beneficiaries of the RNS program using the criteria developed by the RNS-Technical Working Group and it was divided into three Lots for the bidding process. The Luzon Lot was composed of PANELCO I, INEC and BENECO, while the Visayas Lot was composed of SAMELCO I and SAMELCO II and lastly, the Mindanao Lot was composed of SUKELCO and SOCOTECO II.

Prospected bidder has undergone initial post qualification for the Visayas and Mindanao lots. A re-bid will be undertaken for the Luzon lot since there was no bid submitted from bidders.

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

I-PURE Mindanao is a project funded by the EU-ASEP 4.5 Million Euro Top-up Grant. The NEA is in close coordination with the Mindanao Development Authority (MinDA) and some Mindanao ECs for the implementation of the project. The main objective to improve economic and social conditions of 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.

Bidding process is ongoing for 2 components of the project (PURE and Household Electrification). The SHS units for COTELCO and SOCOTECO II are for delivery and installation. The Project Management and Cross Cutting components are still to be undertaken.

C. Other Assisted Projects

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

The Project aims to install a Solar Power Facility in rooftop of Public Schools including a Net Metering Connection and the intention is to source a portion of the schools' demand through the use of solar facility. The Project's intention is to source a portion of (10) Ten Public Schools' demand through the use of Solar Facility.

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.

Monitoring and inspection of the project in BATELEC II was conducted last November 22 to 25, 2021 and issues were identified to be resolved before the issuance of Certificate of Final Inspection and Acceptance (CFIA).

2. Electric Cooperative- Owned Distributed Generation Facility (DGF)

The NEA is encouraging all ECs to develop their own Generation Facility to mitigate future electricity supply shortages in their respective coverage area and at the same time supporting the Green Energy Option Program (GEOP) of the government. These generation facilities can also serve as back-up power to member-consumer owners during typhoons and other calamities where disruption of power occurs.

The program was initiated by the Department of Energy. DOE and NEA are working closely to educate the ECs on their rights in owning generation facilities as well as the limitations provided by the law. This includes conduct of site visits and resource assessments to determine the renewable energy potentials in their franchise areas. Initial assessment was done in the following ECs:

SAMELCO I	DORELCO	BUSECO
NORSAMELCO	ESAMELCO	MOELCI I
SOLECO	LANECO	SOCOTECO II

NEA has provided assistance to the ECs in the preparation of the Terms of Reference and Renewable Energy Development Plan for their Competitive Selection Process.

7. Status of ECs and Recommendation for Ailing Electric Cooperatives

Based from the NEA Reform Act of 2013 or Republic Act 10531, the following are the basis for NEA's intervention in the operation and management of the ECs:

- a. Rule IV - Section 21, IRR of RA 10531 empowers NEA to exercise its Step-In Rights over an ailing EC by appointing or assigning a PS or PS/AGM or assigning third persons to the Board of EC until the NEA decides that the election of a new Board of Directors to lead the EC is necessary. The NEA may also create a Management Team for the purpose.
- b. Section 5 Section 4(e) of Presidential Decree No. 269, as amended, is hereby further amended of RA 10531 that empowers NEA to supervise the management and operations of all electric cooperatives.
- c. Section 5 Section 4(j) of Presidential Decree No. 269, as amended, is hereby further amended by RA 10531 empowers NEA to ensure the economic and financial viability, and operation of all electric cooperatives.

Under Section 20 of the Implementing Rules and Regulations of RA 10531, an electric cooperative can be declared an "ailing EC" when it falls under the following circumstances:

- a. Has negative Net Worth for the last three (3) years
- b. Has accumulated ninety (90) days arrearages in power supply purchases from generating companies and power suppliers and the transmission cost
- c. Unable to provide electric service due to technical and/or financial inefficiencies
- d. Unable to efficiently perform its electric distribution utility obligations or continue in business due to organizational, external and internal factors
- e. Failed to meet other operational standards established by NEA

There are many issues and challenges being faced by the electric cooperatives that hinder the implementation of their plans and programs for the improvement of their operations or at worst scenario, may even cause the decline of their organization. These challenges include:

- a. Unstable/adverse peace and order situation
- b. High level of poverty incidence
- c. Strong political interventions/interference
- d. Cultural and ethnic beliefs
- e. Governance and management issues
- f. Natural and man-made calamities
- g. Financial concerns such as overdue power accounts from PSALM and power generating companies, unrecoverable interest, surcharges and penalties from consumers' bill, huge uncollected power accounts from local government units,

- military camps and other government agencies, inappropriate distribution rates, among others
- h. Technical concerns such as old, dilapidated distribution line system, transformer overloading, lack of long - term power supply contracts

The Electric Cooperatives are evaluated based on the Policy for Classification of ECs and Guidelines for the Declaration and Graduation of Ailing EC under Memorandum to ECs No. 2020-049. This Policy supersedes the Guidelines for the Classification for ECs and Provision for NEA Intervention under Memorandum Order No. 2014-001.

The new Policy Guideline includes seven (7) performance parameters and standards on financial, operational and technical status of ECs. The parameter on Status of Reliability, which was not included in the 2014 Guidelines for Classification of ECs, was introduced in the 2020 Policy to monitor the implementation and compliance of ECs in the set standard under Philippine Distribution Code (PDC) on SAIDI/SAIFI. The non-compliant ECs will be classified and declared as “ailing” and would require NEA’s full intervention and may be open for alternative options or partnership with qualified private sector investors, local government and other ECs.

As of December 31, 2021, there are seven (7) ailing ECs classified based on their financial and operational performance under the parameters identified by NEA. They are ABRECO, ALECO, and MASELCO in Luzon and BASELCO, TAWELCO, SULECO and LASURECO in Mindanao.

The current condition of these ECs necessitates NEA intervention to prevent further retrogression and improve their operational efficiency and standards of service. The following interventions were implemented:

- a. Creation of Task Force Duterte Power and Management Teams
- b. Designation of Acting General Managers and/or Project Supervisors
- c. Appointment of NEA Representative to the EC Board of Directors (BODs)
- d. Formulation and issuance of new and relevant policies and guidelines
- e. Round Table Assessment and Round Table Dialogue
- f. Provision of loans and subsidies
- g. Capacity Building for EC management and staff
- h. Member-Consumer-Owners (MCO) Empowerment Program
- i. Financial, institutional and technical services facilities

Status of Ailing and/or underperforming ECs and the NEA extended interventions from January to December 2021.

1. APEC/ALECO

ALECO is under a twenty-five (25) year Concession Agreement with San Miguel Energy Corporation (SMEC) and its subsidiary Albay Electric Power Company (APEC) since October 2013.

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	ML
2019	D	R	ML
2018	D	R	ML
2017	D	R	ML
2016	D	R	ML

For the third quarter of 2021 they are non-compliant in 6 of the 7 performance parameters in EC Classification. For the Cash General Fund requirement, they are able to fund their one month working capital of PhP 333.529 million with their working capital fund of PHP 422.861 million.

ALECO is currently undergoing Competitive Selection Process (CSP), and with this undertaking, an aggregate proposed Contract Capacity of 100 MW consisting of 66 MW Baseload Capacity, 25MW Intermediate Capacity and 9 MW Peaking Capacity, an annual energy of 564 GWh (or 47 GWh per months) is being considered. The Term of Reference (TOR) which was presented to the ALECO Board of Director are still for evaluation because there are still some issues and concerns that need to be addressed. With the expiration of the Emergency Power Supply Agreement (EPSA) last December 25, 2021, APEC has requested extension to DOE and a justification for the extension is being required by DOE before deciding on their request.

The NEA has already reviewed and evaluated the 2021 accomplishment report against the approved Strategic Development Plan (SDP) of the cooperative.

2. ABRECO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	EL
2019	C	R	EL
2018	D	R	EL
2017	D	R	EL
2016	D	R	L

Based on the 3rd quarter EC Classification, ABRECO was not compliant in 5 of the 7 performance parameters, namely, working capital fund, collection efficiency, payment to NGCP, system loss and system reliability. They have uncollected Consumers Accounts Receivable (CAR) of P166,412,882.21 or equivalent to 3.39 month's sales. The collection efficiency was greatly affected by the pandemic due to health protocols imposed by the LGUs. Likewise, the Allowance for Doubtful Accounts of P46,340,768.61 is already unrealistic and continuously increasing monthly. This account needs adjustment in the book of account based on the Aging of CAR at the end of the year for fair presentation of financial statement.

Also, with their collection efficiency of 89.17%, their working capital fund of PhP 18.746 million is not enough to fund their one month working capital requirement of PhP 48,619. Nevertheless, with this financial condition of the cooperative, they are still able to sustain positive financial operations and net worth.

NEA has extended technical assistance in the rehabilitation of the cooperative's distribution lines. A continuous conduct of roundtable assessment of the operational and technical accomplishment of the Acting General Manager and Technical Assist is also being undertaken to be able to discuss and assess the issues and concerns of the cooperative.

Likewise, NEA also monitors the accomplishment report and the operational performance of the cooperative based on the approved Strategic Development Plan (SDP). Likewise,

3. MASELCO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	ML
2019	C	R	EL
2018	C	R	EL
2017	D	R	EL
2016	D	R	EL

On February 15, 2021, Engr. Nelson A. Lalas was designated as Acting General Manager (AGM) under NEA Office No. 2021-015 wherein he will manage the day-to-day operations of MASELCO to ensure the efficient delivery of electric service to the member-consumer-owners and also to perform other duties that may be assigned or directed by the NEA for the purpose of operational efficiency.

Assessment of the MASELCO's 2021 3rd quarter performance showed that it was not compliant in three (3) of the seven parameters set by NEA, the working capital requirement, accounts payable to GENCO and system loss. For the power arrearages with DMPC, the EC has already submitted a letter with DMPC pursuing against the restructuring proposal. However, the DMPC has not yet responded to MASELCO's letter. Fortunately, the validity of the EC's undrawn Working Capital loan for power accounts amounting to PhP40M was extended for another two (2) years or until June 2023 by NEA. Likewise, the efforts of the cooperative to reduce system loss were halted due to the onslaught of Typhoon Jolina which badly hit the Province of Masbate on September 8, 2021.

With the supervision and assistance of NEA, strategies and initiatives were undertaken to mitigate the risks and challenges encountered in the attainment of plans and programs to improve organizational performance.

NEA required MASELCO to prepare and implement another one (1) year Strategic Development Plan (SDP) covering the period January 1 to December 31, 2021. Their

submitted SDP was assessed based on the submitted accomplishment reports and other performance reports from different NEA offices. Findings and recommendations were drafted taking into consideration the end goal of sustaining operational improvement to address the increased demands for power rate reduction, security of power supply, reliability of service, good governance and empowerment of MCOs.

Electric Cooperatives under Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)

Republic Act No. 11054, the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), otherwise known as the Bangsamoro Organic Law (BOL), was approved on 27 July 2018.

With the passage of this Law, the four (4) ailing/underperforming ECs are now under the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), namely: Tawi-Tawi Electric Cooperative, Inc. (TAWELCO), Basilan Electric Cooperative, Inc. (BASELCO), Sulu Electric Cooperative, Inc. (SULECO), and Lanao del Sur Electric Cooperative, Inc. (LASURECO). The other three (3) electric cooperatives under BARMM are Maguindanao Electric Cooperative, Inc. (MAGELCO), Siasi Electric Cooperative, Inc. (SIASELCO), and Cagayan de Sulu Electric Cooperative, Inc. (CASELCO)

To facilitate the smooth operation and transition of the BARMM ECs pursuant to Article VI, XIII and other relevant provisions of the Bangsamoro Organic law, the Special Concerns Office (SCO) of NEA was tasked, among others, to collaborate and conduct networking activities with DOE, BARMM-MENRE and other national government agencies for electrification, development programs and operational concerns of these ECs. The SCO is also tasked to render technical assistance to the BARMM government in setting up the Electrification Agency similar to the NEA structure to ensure the transition is effected to the best interest of the BARMM ECs and its member-consumer-owners (MCOs).

For the Second Semester of 2021, the NEA through the Special Concerns Office has facilitated a consultation meeting with ERC to discuss the DSM rate, CAPEX application and other related issues. NEA has also coordinated with the Department of Energy (DOE) for the release of its increased capital stock of PhP25 Billion to be used to strengthen the ECs and also in support of the statement of Senator Sherwin Gatchalian for NEA to reallocate its funding support for the implementation of the electrification program in remote villages in BARMM.

Performance Assessment of BARMM ECs

Most of the BARMM ECs, for years, have been assessed and evaluated under the NEA Overall Performance Assessment and Evaluation System as underperforming ECs.

They have not complied either with all or most of the parameter standards set by NEA under the Key Performance Standards (KPS) and EC Classification Standards, and are therefore tagged as either under the “Ailing” or “Red” or “Yellow-1” ECs.

The common challenges observed in BARMM ECs include high incidence of power pilferages coupled with unreliable distribution system due to obsolete, aged, or dilapidated distribution facilities. Also, high incidence of poverty in these places results in inability of customers to pay their electric bills on time.

Likewise, the adverse peace and order situation are seen to have a big contribution to the poor economic condition in these areas. All these circumstances lead to the BARMM ECs' inability to pay their payables to power providers and creditors; and, financial difficulty to cover other administrative expenses.

For the BARMM ECs to be able to pay its mounting obligations and to recover from being an ailing electric cooperative, the whole nation approach in resolving the root causes of the problems is necessary.

1. TAWELCO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	M
2019	D	R	M
2018	D	R	M
2017	D	R	M
2016	D	R	M

Latest assessment of their accomplishments showed that the EC was not compliant with all the seven (7) performance parameters in EC Classification. Collection Efficiency standard of 95% was not attained with only 29% collection performance and as a result, the Cash General Fund is not enough to sustain the one month working capital requirement of the cooperative. Despite the financial condition of the cooperative, it was still able to pay its financial obligation with NEA and other financing institutions.

NEA has provided Management Assistance to TAWELCO by assigning Engr. Eleno E. Desuyo, Jr. as Project Supervisor/ Acting General Manager who is tasked to supervise and monitor the implementation of plans and programs set to address the financial, institutional and technical issues in the operations of the cooperative including the mandate to provide total electrification in the Province of Tawi-Tawi.

Several options to improve the overall performance of the cooperative were identified during the consultations with TAWELCO such as creation of task force either regional or inter-agency; management take-over and termination of all employees and hiring of new and more qualified personnel to handle the critical operations of the cooperative.

On the issue of financial obligations with NPC-SPUG in the amount of PhP 1.6 Billion and with Kaltimes amounting to PhP 176 Million, an option for the Condonation of interest and VAT and the restructuring of principal is being taken into consideration.

Within the first year of turnover of TAWELCO from NEA to BARMM-MENRE, there shall be guidance from NEA until such time that the management operation of the cooperative

under BARMM-MENRE supervisions will be smooth and effective in accordance to NEA policies, rules and regulations.

2. BASELCO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	L
2019	D	R	L
2018	D	R	L
2017	D	R	L
2016	D	R	L

As of 3rd quarter of 2021, BASELCO was compliant with only one parameter, the working capital requirement. The other remaining six (6) parameters were not complied by the EC which can be attributed to multiple internal and external factors such as dilapidated electric distribution system, socio-political interventions, governance, threat on safety and security, widespread irregularities, and fraudulent activities among others.

Collection efficiency is at 58.31% which is very low compared to the standard criteria of 95%. Initiatives to increase collection level has been identified such as massive collection drive in the entire province of Basilan but prioritizing Isabela and Lamitan City, shorten the billing period to consumers from twenty (20) to fifteen (15) days, and to further improve the electric distribution system facilities in other areas with recorded low collection efficiency.

On the issue of one (1) source of power supply at Isabela City which is a major cause of poor reliability due to over extended backbone line and low voltage supply, NEA has recommended for the approval and operation of 5MW Rose Power Plant at Lamitan City, the operation of Sumisip proposed 3MW HEPP, rehabilitation of 1MW Balagtas HEPP and the upgrading of system protection of Kumalaran HEPP. There is also an option to provide 3-phase submarine cable projects to enhance the distribution system and improve the supply of power at Malamawi Island. Likewise, condonation of interest and the freezing of surcharges are being proposed to address the escalating financial obligations on Power Bill Accounts.

NEA continuous to monitor the submitted Operational Improvement Plan (OIP) by the cooperative and to wherein it details the priority plans and programs to address the issues that hinder the adherence of the coop to NEA parameters and standards on EC classification which would alleviate its current status as ailing EC.

3. SULECO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	L
2019	C	R	L
2018	C	R	L
2017	C	R	L
2016	D	R	L

As of 3rd quarter of 2021, SULECO was not compliant with four (4) of the seven (7) parameters on EC classification namely collection efficiency, payment to GENCO, net worth, and system loss. With the collection performance of the cooperative at 37.35%, it is positive to note that it is still able to finance its one month working capital of PhP 25.369 million with its PhP 117.474 million working capital fund. Also, the cooperative was able to sustain a positive financial operation.

SULECO is currently undergoing total rehabilitation of DX lines. This is the main reason why the system loss of the SULECO had tremendously reduced and had translated it to sales revenue. Had the distribution lines of the EC be completely rehabilitated, a single digit system loss is possible to be attained.

On its escalating Power Bill Accounts, the average monthly power bill of the EC is at PhP22 million and the monthly interest charge by the NPC is at an average of PhP14 million, having a total of PhP34 million monthly obligation thus even if the entire monthly revenue of the EC is collected, it is still insufficient to meet the monthly obligation including the monthly interest charge. With this issue, there is a proposal for the condonation of Power Bill back-arrearages.

While the BARMM is in transition, SULECO is preparing its rates and CAPEX applications with ERC to have a sufficient DSM and CAPEX rate to finance its on-going rehabilitation and upgrading program. There is a plan to apply for rate increase and also for the CAPEX application incorporating the Network and Non-Network Assets Plans of the cooperative.

There is a proposal to conduct two (2) Competitive Selection Process (CSP) i.e. procurement of 5MW Med-Merit Peaking and for the whole power supply for the New Power Provider (NPP) to take over the NPC taking into consideration Section 2 of Electric Power Industry Reform Act of 2001 or the EPIRA Law which encourages the New Power Provider (NPP) to participate in the power supply through entering into CSP. The Distribution Impact Study (DIS) and the latest 2021 Distribution Development Plan (DDP) and Power Supply Procurement Plan (PSPP) was already submitted to NEA for recommendation to DOE and after the approval and publication of DDP and PSPP by the DOE, the SULECO can then proceed to the conduct of CSP.

To date, SULECO is still appealing to His Excellency through NEA to make exemption on the case of BARMM ECs in general and SULECO in particular to exclude it from BARMM

Authority. The coop is of the opinion that BARMM Government has no technical capacity to supervise and handle BARMM ECs due to its uniqueness in operation.

4. LASURECO

Year	Categorization	Classification - Color	Classification - Size
2020	Deferred	R	EL
2019	D	R	EL
2018	D	R	EL
2017	D	R	EL
2016	D	R	EL

As of 3rd quarter of 2021, LASURECO is still not able to comply with all the seven parameters in EC classification.

LASURECO is currently undertaking the upgrading/ rehabilitation of distribution system (CAPEX projects) i.e primary and secondary lines (poles, wires, hardwares, grounding, guying); Protections; Distribution Transformer; and KWH Meters

While the takeover of BARMM Government to the ECs under NEA is still in progress, the following are the recommended solutions to improve operation gradually and eventually pay their financial obligations:

- a. Apply the Whole of Nation approach to resolve various issues
- b. Installation of the Management Team composed of PS/AGM or AGM with support Financial, Institutional and Technical assistance from NEA to focus on power security, system loss, system reliability and collection efficiency
- c. The Government should provide financial support in the proposed improvement programs/projects of the ECs, such as, but not limited to the ERC Approved CAPEX projects
- d. Implement religiously the projects while strengthening the institutional activities
- e. Undertake initiatives to reduce or possibly remove the surcharges or interest in the arrears of the ECs to PSALM, NPC-SPUG and other private power provider as well as the restructuring of the cumulative arrears of the ECs
- g. Hand in hand collaboration with the political leaders to change the mindset of the MCOs.

Annex A: Status of 2nd Semester 2021 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region I	24	39,517
INEC		4,659
ISECO		5,352
LUELCO		6,311
PANELCO I		2,917
CENPELCO	11	10,013
PANELCO III	13	10,265
Region II	16	25,237
BATANELCO		198
CAGELCO I	6	6,167
CAGELCO II		4,337
ISELCO I		6,207
ISELCO II		6,110
NUVELCO	10	554
QUIRELCO		1,664
CAR	30	14,083
ABRECO		1,787
BENECO	28	6,492
IFELCO		1,684
KAELCO	2	1,899
MOPRECO		2,221
Region III	24	68,003
AURELCO	23	3,388
TARELCO I		7,621
TARELCO II		3,819
NEECO I		3,962
NEECO II – Area 1		6,860
NEECO II – Area 2		4,799
SAJELCO		1,598
PRESCO		1,722
PELCO I		7,085
PELCO II		9,856
PELCO III	1	2,744
PENELCO		7,771
ZAMECO I		3,395
ZAMECO II		3,383

Annex A: Status of 2nd Semester 2021 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IV-A	52	33,343
FLECO		2,044
BATELEC I		7,120
BATELEC II		14,117
QUEZELCO I	39	8,178
QUEZELCO II	13	1,884
Region IV-B	82	28,535
LUBELCO		388
OMECO	16	3,568
ORMECO	35	8,642
MARELCO		4,481
TIELCO	4	1,435
ROMELCO	22	681
BISELCO	5	2,410
PALECO		6,930
Region V	58	35,143
CANORECO	23	4,169
CASURECO I	7	3,530
CASURECO II		5,123
CASURECO III	3	2,833
CASURECO IV		2,381
ALECO		5,071
SORECO I	4	2,477
SORECO II		3,818
FICELCO		1,609
MASELCO	18	2,990
TISELCO	3	1,142
Luzon	286	243,861

Annex A: Status of 2nd Semester 2021 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region VI	88	65,868
AKELCO	7	7,041
ANTECO	16	8,758
CAPELCO	25	6,083
ILECO I	15	6,427
ILECO II	9	6,194
ILECO III		8,805
GUIMELCO	10	1,268
NONECO		5,241
CENECO		8,651
NOCECO	6	7,400
Region VII	146	44,836
NORECO I	46	5,088
NORECO II	29	6,807
BANELCO	10	2,321
CEBECO I	20	7,059
CEBECO II		6,608
CEBECO III	18	4,229
PROSIELCO		731
CELCO		665
BOHECO I		5,514
BOHECO II	23	5,814
Region VIII	34	42,146
DORELCO		4,231
LEYECO II		3,695
LEYECO III		7,058
LEYECO IV	8	2,449
LEYECO V		3,651
SOLECO	3	3,836
BILECO		2,982
NORSAMELCO	17	3,918
SAMELCO I	6	2,424
SAMELCO II		2,430
ESAMELCO		5,472
Visayas	268	152,850

Annex A: Status of 2nd Semester 2021 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IX	26	40,853
ZANECO		17,449
ZAMSURECO I	26	11,574
ZAMSURECO II		6,948
ZAMCELCO		4,882
Region X	156	36,858
MOELCI I		2,742
MOELCI II	9	2,962
MORESCO I	11	5,907
MORESCO II	21	4,641
FIBECO	45	9,485
BUSECO	62	6,316
CAMELCO		377
LANECO	8	4,155
Region XI	56	24,967
DORECO	15	4,556
DANECO	29	9,897
DASURECO	12	10,514
Region XII	147	50,566
COTELCO	37	13,879
COTELCO-PPALMA	22	5,213
SOCOTECO I	30	5,723
SOCOTECO II	20	19,013
SUKELCO	38	6,738
BARM	38	3,940
TAWELCO		-
SIASELCO		-
SULECO	11	552
BASELCO		-
CASELCO	8	-
LASURECO	19	837
MAGELCO		2,551
CARAGA	119	28,461
ANECO	8	6,964
ASELCO	38	6,674
SURNECO	11	2,687
SIARELCO	11	1,888
DIELCO	13	1,615
SURSECO I	9	5,085
SURSECO II	29	3,548
Mindanao	542	185,372
Total	1,096	582,053

Annex B: 2nd Semester 2021 Subsidy Releases

Electric Cooperatives	Amount
REGION I	33,678,490.27
PANELCO III	16,113,514.82
CENPELCO	13,174,681.12
BATANELCO	4,390,294.33
REGION II	31,120,531.62
CAGELCO II	293,599.38
QUIRELCO	1,016,598.13
NUVELCO	29,810,334.11
CAR	2,190,588.84
IFELCO	2,190,588.84
REGION III	5,295,799.75
TARELCO I	3,284,264.89
NEECO II A2	2,011,534.86
REGION IV-A	65,412,775.30
QUEZELCO I	47,133,213.34
QUEZELCO II	17,615,214.41
FLECO	125,910.37
BATELEC I	57,907.03
BATELEC II	480,530.15
REGION IV-B	146,441,024.12
ORMECO	65,289,876.31
ROMELCO	42,338,213.62
TIELCO	17,483,879.24
OMECO	17,447,738.18
LUBELCO	450,443.65
MARELCO	3,430,873.12
REGION V	310,606,890.72
CASURECO I	46,078,681.17
CASURECO II	9,813,119.81
CASURECO III	84,902,621.98
CASURECO IV	81,078,394.55
CANORECO	21,535,105.89
MASELCO	39,252,554.73
TISELCO	5,982,192.00
SORECO I	15,483,221.75
SORECO II	5,878,251.00
FICELCO	602,747.84
REGION VI	274,733,767.63
ANTECO	32,777,527.27
ILECO I	11,197,363.51
ILECO II	9,707,075.53

Annex B: 2nd Semester 2021 Subsidy Releases

Electric Cooperatives	Amount
ILECO III	26,421,487.91
NONECO	9,579,460.73
CENECO	194,393.15
AKELCO	57,284,133.88
NOCECO	12,503,365.77
CAPELCO	87,316,063.63
GUIMELCO	27,752,896.25
REGION VII	179,682,758.76
BOHECO II	8,716,072.91
CEBECO I	15,151,923.46
CEBECO II	34,530,331.48
CEBECO III	10,930,499.15
NORECO I	40,810,800.66
NORECO II	57,679,513.71
BANELCO	11,214,333.70
CELCO	649,283.69
REGION VIII	168,247,569.22
DORELCO	2,477,003.40
LEYECO II	10,099,080.29
LEYECO III	22,415,103.76
LEYECO IV	9,494,990.57
LEYECO V	26,977,489.94
NORSAMELCO	36,974,247.29
SAMELCO I	10,056,218.84
SAMELCO II	27,963,772.88
BILECO	21,789,662.25
REGION IX	42,189,050.94
ZAMSURECO I	38,272,357.80
ZAMSURECO II	977,453.22
ZANECO	2,939,239.92
REGION X	159,109,976.39
FIBECO	3,769,928.05
MORESCO I	46,537,614.75
MORESCO II	21,726,529.06
MOELCI II	6,015,025.72
LANECO	8,469,890.36
BUSECO	72,590,988.45
REGION XI	161,429,425.81
DORECO	21,636,286.23
DASURECO	53,218,080.66
DANECO	86,575,058.92

Annex B: 2nd Semester 2021 Subsidy Releases

Electric Cooperatives	Amount
REGION XII	145,157,094.30
COTELCO	73,922,004.20
COTELCO – PPALMA	34,035,289.65
SOCOTECO I	36,060,830.05
SUKELCO	1,138,970.40
BARM	31,855,826.40
LASURECO	14,008,650.53
SIASELCO	3,693,581.05
TAWELCO	4,494,869.98
MAGELCO	9,658,724.84
CARAGA	99,602,263.94
DIELCO	12,837,367.93
SIARELCO	6,109,076.67
SURSECO I	11,122,094.81
SURSECO II	694,112.05
SURNECO	1,024,312.09
ANECO	11,558,381.79
ASELCO	56,256,918.70
TOTAL	1,856,753,834.01

Annex C: January to December 2021 CAPEX Loans

Electric Cooperatives	Loan Type	Project/s	Amount
Region I			
LUELCO	RE-FR	Supply, delivery, construction, installation of 69 KV sub-transmission lines from Damortis, Sto. Tomas, La Union to Esperanza, Sison, Pangasinan & commissioning of 15MVA Sison Substation	88,544,036.34
INEC	RE-FR	Procurement and Construction of Pinili Substation (bal.)	6,498,538.40
CAR			
IFELCO	WC	To cover payment of Power Account equivalent of 1 month of WESM Bill	30,069,000.00
Region III			
TARELCO I	RE-FR	Installation of 10 MVA substation at Mayontoc Town	19,728,062.02
		Installation of Primary & Secondary Safe Equipment for Paniqui 10MVA Power Transformer	4,709,150.57
		Purchase of 69KV Line Fault Indicators	2,027,520.00
		Purchase of Utility Vehicle (Specialized Manlift Truck for COMD)	15,113,294.00
		Implimentation of EC's Computer System Upgrade Project	18,892,130.00
Region IV-A			
QUEZELCO I	E-CAPEX	Purchase of 2 units brand new linemen's truck, double cab with canopy	3,556,700.00
FLECO	RE-FR	Uprating of 10MVA to 20MVA Power Transformer in Famy Substation	5,109,201.94
Region IV-B			
OMECO	RE-FR	Purchase of Hardware and Materials and rehabilitation and upgrading of lines	10,024,174.05
Region V			
CASURECO III	WC	Payment of power accounts	50,000,000.00
CASURECO IV	RE-FR	Upgrading from 5MVA to 10MVA Power Substation in Lagonoy, Cam.Sur	25,000,000.00
TISELCO	RE Loan	For the liquidation of unexpended subsidy funds (1996-2006 SEP/BLEP Subsidy)	7,736,514.64

Annex C: January to December 2021 CAPEX Loans

Electric Cooperatives	Loan Type	Project/s	Amount
Region VI			
NONECO	RE-FR	Construction of 5MVA Toboso-Calavera Substation (bal.)	3,457,061.82
Region VII			
BANELCO	RE-FR	For Settlement of its Power Accounts with Isla Norte Energy Corp.	20,000,000.00
BOHECO II	RE-FR	Construction of Main Office Building in Brgy. Cantagay, Jagna, Bohol	26,436,708.51
Region IX			
ZAMSURECO II	RE-FR	Purchase of Additional Distribution Transformers - 3rd rel.	6,820,000.00
		Purchase of Kwhr Meters in Replacement for Meter in Service over 15 yrs and Kwh Meters for New Customer (Big loads) - 3rd rel.	9,890,852.00
Region X			
BUSECO	RE-FR	Purchase of Kwhr Meters for residential, low & high voltage customers & Procurement of Potential Transfosrmer for Aglayan substation	4,873,026.88
		Safety Gadgets, Communications, Training Tools, Distribution Asset Labelling	7,967,641.17
		Rehabilitation & Upgrading of overextended Secondary Lines	8,693,007.07
MORESCO I	RE-FR	Construction of MORESCO I's New Administration Building in Pob. Laguindingan, Misamis Or. (1st rel.)	25,078,136.92
LANECO	STCF	To finance monthly shortfall on the settlement of power bills with FDC Misamis Power Corporation (FDCMPC) and GN Power Kauswagan Ltd. Co. (GNPK)	50,000,000.00
REGION XI			
DANECO/ NORDECO	RE-FR	To cover the cost of various CAPEX Projects-Poles and Wires	4,508,172.00
		Improvement and Conversion of Kinuban to Elizalde	4,992,537.89
		Line Conversion, Rehabilitation, Revamp, Conversion and Improvement of Various CAPEX Projects	4,260,108.51
		Distribution Transformers and Add-Ons (New Connections	26,002,989.36

Annex C: January to December 2021 CAPEX Loans

Electric Cooperatives	Loan Type	Project/s	Amount
REGION XI			
DORECO	RE-FR	Purchase of Tools, Shop, Safety Gadgets & Garage Equipment	1,162,952.89
		Relocation of Jovellar-Banhawan & Nanaingan-San Jose Three Phase Lines	5,316,828.05
		Purchase & Installation of Feeder Metering & Purchase of Various Miscellaneous Equipment	1,330,525.00
		Purchase Materials and Supplies-Electric	7,894,990.43
		Upgrading of Lupon-Banaynay Line Section, Mati SS-Provincial Hospital Line & Mati SS-Poblacion Tie Line (Feeder #4)	11,372,278.11
REGION XII			
SOCOTECO I	RE-FR	Construction of ASD2 Satellite Office	2,249,765.33
		Purchase of Bucket Trucks	6,228,000.00
CARAGA			
SURSECO I	RE-FR	Upgrading of San Fernando Substation from 5MVA to 10MVA (final release)	11,985,000.00
DIELCO	RE-FR	Procurement of Tools and Equipment (bal.)	6,670,000.00
		Replacement of Rotten Poles; Replacement of Defective Kwh Meters & Fuse Cutouts;	8,752,450.00
		Procurement of Kwh Meters and Service Drop Wires (new consumers) - bal.	9,885,827.80
		Replacement of inefficient and overload transformers (balance)	10,521,120.00
ASELCO		Relocation & Upgrading of the 5MVA S/S from Crossing Cuevas, Trento to Pob. Rosario , Agusal del Sur with Site Development & Construction of 1.0km 69KV line from San Francisco S/S, Pob. Rosario	9,705,789.00
Total			583,064,090.70

Annex D: January to December 2021 Calamity Loans

Electric Cooperatives	Calamity	Amount	Date Released
REGION IV-A			
QUEZELCO I	Typhoon Quinta	4,925,920.89	2/24/2021
	Typhoon Rolly	8,498,937.17	2/24/2021
	Typhoon Ulysses	6,713,608.94	2/24/2021
REGION IV-B			
ORMECO	Typhoon Quinta	9,230,498.00	3/16/2021
MARELCO	Typhoon Rolly	1,763,385.40	1/26/2021
	Typhoon Quinta	1,558,208.32	1/26/2021
REGION IV-B			
CASURECO III	Typhoon Rolly	10,250,487.00	4/05/2021
CASURECO IV	Typhoon Quinta	14,230,951.00	5/26/2021
	Typhoon Rolly		
	Typhoon Ulysses		
FISELCO	Typhoon Rolly,	17,828,003.00	8/23/2021
BATANELCO	Typhoon Kiko	10,000,000.00	11/16/2021
CASURECO I	Typhoon Rolly	8,731,346.00	11/12/2021
	Typhoon Ulysses		
Total		93,731,345.00	