

**Semi-Annual Report
on NEA Initiatives and Activities on
Rural Electrification Program
(2nd Semester 2023)**

Office for Performance Assessment and Special Studies


**NATIONAL
ELECTRIFICATION
ADMINISTRATION**

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SEMI-ANNUAL REPORT ON THE INITIATIVES AND ACTIVITIES ON RURAL ELECTRIFICATION AND NEA INTERVENTION ON AILING ECs

Second Semester 2023

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 JCEC 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 **March 26, 2024**.

II. EXECUTIVE SUMMARY

National Electrification Administration has been at the forefront of the Rural Electrification Program since its creation in 1969. Electrification of the country down to the barangay level has been achieved through the Agency's implementing arm, the Electric Cooperatives. To further expand coverage of electrification, the national government provided subsidy funds for the Sitio Electrification Program which has been implemented since 2011.

For 2023, NEA has continuously pursued the electrification program despite the challenges and risks besetting the country.

The following are the highlights of the NEA's initiatives and interventions on rural electrification:

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

As of December 31, 2023, the NEA, in partnership with the electric cooperatives, energized and completed 1,148 sitios. This accomplishment redounds to the provision of electric service to additional 501,777 consumers in the EC franchise areas.

A total of 8,036 sitios beginning 2017 was energized or 47% of the total 17,100 unenergized based on Total Electrification Masterplan and 15.99 million connected consumers or 98% of the 16.27 million. Potential consumers are based on the 2020 census of population, the latest official report of the Philippine Statistics Authority.

2. Release of Subsidy Fund for SEP and natural calamities

NEA was able to process and release a total of PhP 3,080.98 million subsidy fund for 54 ECs as of second semester of 2023. This is broken down into PhP 12,336.41 million for Sitio Electrification Program and PhP 744.57 million for Calamity.

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

The NEA approved and released a total of PhP1,102.54 million for 32 ECs as of second semester of 2023 broken down into PhP952.54 million for CAPEX requirements and PhP150 million for Short Term Credit Facility (STCF).

4. Capacity Building Programs for NEA and ECs

The Agency offered seventy-six (76) trainings and scholarship programs on management, leadership and operational skills for both the NEA and the ECs for 2023. They were participated by 4,002 officials and staff nationwide.

- a. For NEA management and associates, the Agency conducted 31 trainings and scholarship programs with 4743 participants
- b. In line with the NEA's agenda on Intensifying Capacity Building Programs for ECs, the Agency trained 3,259 EC officials and staff in 45 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 six (6) policy guidelines from July to December 2023 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)

- c. Installation of Solar Facility including Net Metering Application and Equipment for Public Schools in the coverage area of BATELEC II, INEC, NEECO II-Area 1, CEBECO I and CEBECO II

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 with ECs
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 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 number one priority agenda of NEA 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 Sitio Electrification Program aims to provide electricity to remote and underserved areas across the Philippines, improving the quality of life and promoting sustainable rural development. The approved General Appropriations Act for 2023 set a target of energization of 1,085 sitios across the country.

Several challenges have been encountered during the implementation of the program such as geographical constraints, technical complexities, and community resistance in some areas. Undeterred by these challenges, the NEA through the ECs was still able to energize 1,148 sitios. ECs in Luzon energized 346 sitios, 366 were energized in the Visayas and Mindanao ECs, which has the remaining highest potential unenergized sitios, completed and energized the highest with 436. This brought to a total of 8,036 energized sitios from 2017 to present.

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

LUZON		VISAYAS		MINDANAO	
I	39	VI	173	IX	28
II	18	VII	109	X	101
CAR	50	VIII	84	XI	106
III	39			XII	109
IV-A	57			CARAGA	61
IV-B	96			BARMM	31
V	47				
TOTAL	346	TOTAL	366	TOTAL	436
NATIONAL					1,148

CONSUMER CONNECTIONS

As a result of the Agency's electrification program, the connection of 500,000 potential consumers is targeted to be achieved for 2023. 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 2023, the total connected consumers are 501,777 which exceeded the annual target of 500,000. Among the major islands, Luzon implemented the highest with 212,890 connections, followed by Mindanao with 145,833 and the Visayas with a total of 143,054 energized consumers. The total cumulative consumer connections are 15.997 million.

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

LUZON		VISAYAS		MINDANAO	
I	34,929	VI	75,720	IX	31,898
II	24,171	VII	39,494	X	25,122
CAR	12,224	VIII	27,840	XI	28,716
III	60,024			XII	30,322
IV-A	29,543			BARMM	6,788
MIMAROPA	23,684			CARAGA	22,987
V	28,315				
TOTAL	212,890	TOTAL	143,054	TOTAL	145,833
NATIONAL					501,777

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. For 2023, the approved subsidy fund for Sitio Electrification Program is Php 1,677 million with an additional fund of PhP 140 million for the for the fuel requirements of power supply in Occidental Mindoro.

Likewise, subsidy fund for EC Emergency Resiliency (ECERF) was also provided in the amount of PhP 200 million so that ECs are assured of the availability of funds in times of fortuitous event or force majeure. An additional Php 224.35 million was provided for the ECs in Regions II, IV-B, VI, VII, VIII, X, and CARAGA which were affected super typhoons.

Compared with the subsidy released for the 2022 amounting to PhP 2,518.838 million, there is an 18% increase or PhP 562.142 million as against the release of PhP 3,080.98 million for 2023.

Below is the comparative status of subsidy releases for 2023 versus 2022.

TABLE 3. Comparative Status of Subsidy Releases (PhP Million)

Major Islands	2023	2022	Difference	Percent Change
LUZON	1,088.36	729.677	358.683	49
VISAYAS	1,228.36	651.430	576.93	88
MINDANAO	764.26	1,137.730	(373.47)	(33)
NATIONAL	3,080.98	2,518.838	562.142	22

As of December 2023, PhP 3,080.98 million subsidy funds have been released to 54 ECs. Out of these funds, PhP 2,336.41 million was released for electrification purposes and PhP 744.57 million 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 forty (40) percent or a total of PhP 1,228.36 million was released to ECs in Visayas, likewise thirty-five (35%) percent in Luzon and twenty-five (25) percent were released to Mindanao ECs with the amount of PhP 1,088.36 million and PhP 764.26 million respectively.

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

Major Islands	Electrification	Calamity	Total	% to Total
LUZON	906.83	181.53	1,088.36	35
VISAYAS	812.10	416.26	1,228.36	40
MINDANAO	617.48	146.78	764.26	25
NATIONAL	2,336.41	744.57	3,080.98	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 2023, NEA was able to facilitate the financial requirements of twenty-eight (28) ECs relating to a total of PhP 1,102.54 million for capital projects, modular generator set and working capital.

Compared with 2022, there was a 39% decrease on loan releases to ECs with the amount of PhP 1,818.217 million for 2022 as against PhP 1,102.54 million for 2023. 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	2023	2022	Difference	Percent Change
LUZON	265.068	446.083	(181.015)	(40)
VISAYAS	227.833	517.381	(289.548)	(56)
MINDANAO	609.639	854.753	(245.114)	(28)
NATIONAL	1,102.54	1,818.217	(715.677)	(39)

The highest availment of loan for 2023 were the Mindanao ECs with PhP 609.639 million or 55%. The second are the ECs in Luzon with PhP 265.068 million or 24% and the remaining 21% or PhP 227.833 million were released to Visayas ECs.

The top five (5) regions that availed loans are Region X (PhP 398.3070M), Region VII (PhP 139.951M), Region IX (PhP 102.781M), Region I (PhP 100M) and Region IV-A (PhP 97.068M).

Regional status is presented in the following table:

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

LUZON		VISAYAS		MINDANAO	
I	100.00	VI	51.835	IX	102.781
II	3.00	VII	139.951	X	398.307
III	50.00	VIII	36.046	XI	36.400
IV-A	97.068			XII	7.748
V	15.00			BARMM	41.675
				CARAGA	22.726
TOTAL	265.068	TOTAL	227.833	TOTAL	609.639
NATIONAL					1,102.540

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.

For 2023, there were seventy-six (76) trainings and scholarship programs conducted and facilitated for both the NEA and ECs with a total of 4,002 personnel capacitated (Table 7).

TABLE 7. 2022 Summary of Capacity Building Programs

Particulars	NEA	ECs	GRAND TOTAL
Number of Training and Local Scholarship Programs	31	45	76
Number of Staff Capacitated	743	3259	4,002

For the second semester, there were 38 programs conducted and out of these, seventeen (17) were facilitated for NEA associates and was attended by 385 participants. Twenty-one (21) were conducted for EC management and staff and 1,515 were capacitated in different disciplines.

The following are the trainings and scholarship programs conducted and facilitated for NEA associates during the Second Semester of 2023:

PROGRAM	NUMBER OF PARTICIPANTS	Date conducted	
		Start	End
ISO 9001-2015 Quality Management System Awareness Seminar	37	06-Jul-23	06-Jul-23
2023 Public Sector HR Symposium (LS)	3	26-Sept-23	27-Sept-23
Seminar-Workshop on Mentoring and Coaching for Leaders	43	20-Sept-23	21-Sept-23
Seminar-Workshop on Subsidy Evaluation	40	21-Sept-23	21-Sept-23
Seminar-Workshop on SCADA Basic using SCADAFlex Solution	30	12-Sep-23	14-Sep-23
Orientation on COA Circular No. 2021-006 and 014 (LS)	4	05-Sep-23	06-Sep-23
Orientation on Presidential Protocol	65	25-July-23	25-July-23
IIEE Technical Webinar on Substation Design Basics, Assets Testing and Maintenance (LS)	6	29-July-23	29-July-23
Risk Management as per ISO 31000:2018 Guidelines (LS)	2	08-Sept-23	08-Sept-23
Initial Control Standards for the Philippine Public Sector (LS)	8	10-July-23	12-July-23
Internal Auditing Standards for the Philippines Public Sector (LS)	4	12-July-23	17-July-23
Training on R.A. 9184 and its 2016 Revised Implementing Rules and Regulations	53	13-Nov-23	15-Nov-23
Public Service Ethics and Accountability Seminar	32	16-Nov-23	17-Nov-23
Learning and Development Course	45	24-Oct-23	26-Oct-23
Internal Control Standards for the Philippine Public Sector (LS)	1	20-Nov-23	22-Nov-23
ENLIT Asia 2023 (FS)	1	13-Nov-23	16-Nov-23
Seminar-Workshop on ERC DSL and System Impact Analysis using DVN Synergi Electric Engineering Analysis (EA) (LS)	11	04-Dec-23	05-Dec-23

For the EC management and staff, the following trainings had been facilitated for the Second semester of 2023:

PROGRAM	Number of Participants	Date conducted	
		Start	End
Power 101 with Atty. Josefina Patricia M. Asirit	60	03-July-23	04-Jul-23
Seminar-Workshop on Integration of Balanced Scorecard with Performance Evaluation System (PES) – Batch 4	136	17-July-23	18-July-23
Seminar-Workshop on Integration of Balanced Scorecard with Performance Evaluation System (PES) – Batch 5	127	19-July-23	20-July-23
Seminar on Risk Based Internal Auditing (Modules 1 and 2) for Region III Electric Cooperatives	50	04-Sept-23	08-Sept-23
Procurement Seminars for ECs	59	27-Sept-23	28-Sept-23
Seminar-Workshop on Integration of Balanced Scorecard with Performance Evaluation System (PES)	64	26-Sept-23	28-Sept-23
Gender Sensitivity Training – Batch 1	88	26-Sept-23	27-Sept-23
Gender Sensitivity Training – Batch 2	79	28-Sept-23	29-Sept-23
Seminar-Workshop on Integration of Balanced Scorecard with Performance Evaluation System (PES)	58	28-Sept-23	29-Sept-23
Seminar-Workshop on Computer Assisted Auditing and Accounting Tools (CAA Ts) and Data Analytics using Excel – Batch 4	47	02-Oct-23	04-Oct-23
Supervisory Development Course (SDC)	64	16-Oct-23	18-Oct-23
Public Speaking and Presentation Skills on ECs	38	19-Oct-23	20-Oct-23
Cooperative Management Course II (CMC II) Financial Management – Batch 3	141	17-Oct-23	18-Oct-23
Electric Power Distribution Line Construction (EPDLC) NCII Training	25	25-Sep-23	3-Nov-23
Team Enhancement Program	100	14-Nov-23	15-Nov-23
Cooperative Management Course II (CMC II) Financial Management – Batch 4	161	09-Nov-23	10-Nov-23
Seminar-Workshop on Excellent Customer Service Skills Program	60	21-Nov-23	22-Nov-23
Seminar-Workshop on Excellent Customer Service Skills Program	58	23-Nov-23	24-Nov-23

PROGRAM	Number of Participants	Date conducted	
		Start	End
Seminar-Workshop on the Revised Procurement Guidelines and Simplified Bidding Procedures (IRR-RAM 10531)	15	17-Nov-23	18-Nov-23
Seminar-Workshop on Meter Reading, Billing Collection and Disconnection (MRBCD) Enhancement	40	11-Dec-23	13-Dec-23
Seminar-Workshop on Meter Reading, Billing Collection and Disconnection (MRBCD) Enhancement	45	14-Dec-23	16-Dec-23

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 thirteen (13) policies and guidelines approved by the NEA BOA for 2023, 7 for the first semester and 6 for the second semester. 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 2023.

Date Approved	Particulars
July 28, 2023	Amendments to "Policy on the Selection, Hiring, Termination of Service/Suspension for General Managers of Electric Cooperative
July 28, 2023	Guidelines on Compensation, Allowances and Benefits of Project Supervisors/Acting General Manager (PS/AGM), Technical, Financial and Institutional Assists assigned to ECs
October 17, 2023	Policy Amending "Collective Bargaining Agreement (CBA) of Electric Cooperative (2 nd Revision)
November 17, 2023	Adoption of the NEA Competitive Selection Process Guidelines

Date Approved	Particulars
November 21, 2023	Implementing Guidelines to the DOE Order No. DO2023-10-002 on CSP and to Grant the Administrator the Authority to Execute all necessary Orders, Memoranda, Issuances or Notices for the proper Implementation of the NEA Implementing Guidelines to DOE Order No. DO2023-10-0022
December 11, 2023	Policy/Guidelines in the Conduct of Electric Cooperatives' (ECs') Annual General Membership Assembly (AGMA)

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 continuous 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:

I. NEA's Subsidized Renewable Energy Projects

A. Expanded Sitio Electrification Program (Expanded SEP)

The Expanded Sitio Electrification Program (Expanded SEP) has an allocated budget amounting to P12M for the Conduct of Feasibility Study on Establishing a Mini-Grid System with Renewable Energy Source.

The feasibility study is directed at the use of renewable energy to provide electricity in six off-grid areas in the franchise area of EC beneficiaries namely SOCOTECO II, ZANECO and QUEZELCO II.

For QUEZELCO II and ZANECO, the projects have been completed with Certificate of Final Inspection and Acceptance issued by NEA.

For SOCOTECO II, they have completed their second bidding with Atdinum Energy, Inc. as the winning bidder. The EC is expected to submit the Notice of Award to NEA for the processing of release of funds. The preparation of the feasibility study is expected to be completed on June 2024.

II. Installation of Solar Facility including Net Metering Application and Equipment for Public Schools

The Project aims to install a Solar Power Facility in rooftop of Public Schools to source a portion of their demands through the use of Solar facility. A Net Metering Connection shall also be installed to maximize the power generated by such Facility. The excess power will be delivered to the grid and will be offset on the consumed electricity from the grid. The project will help in generating savings and at the same time mitigate climate change.

The details of the projects are specified below.

Electric Cooperative	No. of Public Schools	Remarks
BATELEC II – Batch 2	32	Initial funds were released last August 2023 and project implementation is ongoing.
INEC – Batch 1	8	Completed and Energized with CFIA
INEC – Batch 2	7 Public Buildings & 15 Schools	Initial funds were released last December 2023. The project implementation is now ongoing.
INEC – Batch 2	5 Public Buildings	The initial evaluation was released last October 2023. The preparation of the MOA is ongoing.
NEECO II Area 1	1	Completed and Energized with CFIA. Fully liquidated
CEBECO I	1	Ongoing procurement of the project.
CEBECO II	1	Project is already awarded. Ongoing project implementation.

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

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

The I-PURE Mindanao is a project funded by the EU-ASEP 4.5 Million Euro Top-up Grant. NEA is working closely with the Mindanao Development Authority (MinDA) and some Mindanao ECs for the implementation of the project. The main objective is 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.

The I-PURE Mindanao is composed of three components, 1. Productive Use of Renewable Energy (PURE); 2. Household Electrification; 3. Project Management and Cross Cutting Activities.

As of December 31, 2023, the solar powered ice making facility project in Glan Sarangani was terminated but all other projects are 100% installed with Certificate of Acceptance for the PURE and Household Electrification.

7. Competitive Selection Process

Pursuant to NEA's mandate under PD No. 269, as amended by RA No. 10531, the Agency has been actively engaged in supervising the management and operations of the ECs, ensuring their economic viability, and enforcing governance standards. One particular aspect of the electric cooperatives' governance standards is the adherence to transparent and competitive procurement procedures, including the conduct of Competitive Selection Processes (CSPs).

In line with the Department of Energy's (DOE) 2023 CSP Policy and ERC 2023 CSP Implementing Rules, NEA has promulgated the 2023 CSP Guidelines to serve as framework of the process for the conduct of the CSP of the ECs.

For 2023, NEA has achieved significant milestones in its CSP activities. The Agency reviewed the Power Supply Procurement Plan (PSPP) of all the electric cooperatives, ensuring that procurement plans align with operational requirements and regulatory standards. PSPP serves as the basis of the conduct of any CSP of the ECs.

There were 17 Terms of Reference (TOR) reviewed by NEA for the procurement of the power requirements of 16 electric cooperatives, ensuring compliance with regulatory frameworks.

Likewise, 18 Notices to Proceed to publish the TOR were issued. Publication of the TOR shall signal the official commencement of the CSP and from which the reckoning point of the time limitation for the entire CSP must be concluded.

Review of Power Supply Agreement (PSA) via Energy Virtual One Stop Shop System (EVOSS) was also conducted for 6 ECs, ensuring a streamlined procedure and the timely completion for such submission. More importantly, these PSAs trigger the supply of power that serves the purpose of the ECs in efficiently delivering the services needed by their consumers within their franchise area.

These accomplishments highlight NEA's commitment to promoting fair and competitive procurement practices of the electric cooperatives and continues to bolster the economic and operational sustainability of ECs, ultimately contributing to the achievement rural electrification and economic development.

8. 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.

The 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, 2023, 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 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 with ECs
- f. Annual and Quarterly Performance Assessment
- g. Comprehensive audit (regular and special)
- h. Capacity Building for EC management and staff
- i. Financial, institutional and technical services facilities

Status of Ailing and/or underperforming ECs and the NEA extended interventions from January to December 2023.

1. ALECO

Year	Categorization	Classification - Color	Classification - Size
2022	D	R	ML
2021	D	R	ML
2020	Deferred	R	ML
2019	D	R	ML
2018	D	R	ML

For the fourth quarter of 2023, ALECO is non-compliant in all of the 7 performance parameters in EC Classification. The EC is not able to comply with the financial parameters set by NEA. As for the Technical Parameters, only its SAIDI was compliant with the result of 2,161.11 minutes in duration of sustained customer power interruptions.

The twenty-five (25) year Concession Agreement of ALECO with San Miguel Energy Corporation (SMEC) and its subsidiary Albay Electric Power Company (APEC) has already been terminated.

Pursuant to supervisory powers of NEA under Section 4-A of PD 269 as amended by RA 10531, the Agency designated Engr. Wilfredo O. Bucsit as Acting General Manager and Atty. Gwen P. Enciso-Kyamko as Project Supervisor to lead the Management Task Force in during the transition of operations from APEC to ALECO. The team together with the provincial government of Albay and the Bicol Electric Cooperatives Association (BECA) worked hand in hand to support ALECO in augmenting its resources towards normal operations.

As part of NEA’s initiative to assist ALECO, the NEA approved the Special Payment Arrangement (SPA) relative to the settlement of its loan arrearages amounting to PhP259.989M excluding unpaid interest amounting to PhP49.435M dated 24 October 2023.

2. ABRECO

Year	Categorization	Classification - Color	Classification - Size
2022	C	R	EL
2021	C	R	EL
2020	Deferred	R	EL
2019	C	R	EL
2018	D	R	EL

Based on the fourth quarter 2023 EC Classification, ABRECO was compliant in 2 of the 7 performance parameters, the result of financial operations and system reliability. ABRECO achieved a positive outcome in its financial operations, generating a net profit of Php 32.548 million and retained a current status in its accounts payable to NEA. As for power reliability, the SAIFI and SAIDI were compliant with the result of 9.23 and 278.50 respectively. However, the cooperative was not able to comply with the standards on Cash General Fund, Payment to GENCO, Financial Operations, Net Worth and System Loss. The cash general fund of Php29.619M is insufficient to finance its one (1) month working capital requirement of Php70.176M, collection efficiency is below the standard with 91% and a negative net worth of Php 186.094M.

The 2023 SDP submitted by ABRECO was assessed by NEA and recommendations were presented to address the problems and challenges besetting the cooperative. Initiatives were also undertaken by the cooperative, with the assistance of NEA to improve collection efficiency and reduce system loss.

NEA, likewise, monitors and validates the implementation of identified plans and programs of the EC to determine the effectiveness of each measure to the EC operations and to ensure 100 % accomplishments of the set targets. ABRECO and the NEA Management are continuously working hand in hand to improve the operational and financial viability of the cooperative and devise measures and strategies to comply with the parameters and standards of NEA.

On October 2023, Ms. Bienvenida Tongol's designation as Project Supervisor was extended, performing the following functions:

- a) Supervise the management and operations of ABRECO to ensure the delivery of electric service to the member-consumers;
- b) In the absence of a Board of Directors of ABRECO, to act as Board of Directors, promulgate and pass upon policies for and on behalf of the electric cooperative;
- c) Sign/countersign checks, withdrawal slips, and other banking transactions for and on behalf of the EC with all banks, where ABRECO has an account; and
- d) Perform other tasks that may be assigned by the NEA for the purpose of operational efficiency.

3. MASELCO

Year	Categorization	Classification - Color	Classification - Size
2022	C	R	ML
2021	C	R	ML
2020	Deferred	R	ML
2019	C	R	EL
2018	C	R	EL

MASELCO has been consistently rated as C from 2018 to 2022, a significant improvement in the EC performance rating from D after the successful implementation of its Strategic Development Plan with the support of NEA, EC officers, management and employees.

Assessment of the MASELCO's 2023 fourth quarter performance showed that it was compliant in four (4) of the seven parameters set by NEA, the Cash General Fund, Colletion Efficiency, Financial Operations and Net Worth.

With the supervision and assistance of NEA spearheaded by the designated Project Supervisor (PS) Deputy Administrator Rossan Rosero Le and Acting General Manager (AGM) Engr. Enrico G. Velgado, strategies and initiatives continue to be undertaken to mitigate the risks and challenges encountered in the attainment of plans and programs to improve organizational performance.

For 2023, NEA required MASELCO to prepare and implement another one (1) Year Strategic Development Plan (SDP) covering the period 01 January to 31 December 2023. The objective is to sustain operational improvement which will address the increased demands for power rate reduction, security of power supply, reliability of service, good governance and MCO empowerment.

After Assessment of MASELCO's accomplishments vis-à-vis plans and programs, the directive for the cooperative includes strict adherence to EC Policy No. 003, Series of 2021, specifically focusing on Item No. 5, which mandates the removal of service drop wires and kWh meters if an MCO fails to settle their power bill for three consecutive months to recover arrears. Additionally, the cooperative should prioritize the write-off of non-recoverable accounts under the 2023 SDP to enhance Average Collection Efficiency. Furthermore, an account-restructuring program is to be introduced, targeting MCOs with substantial power bill arrears. Finally, initiatives must also be focused on conducting a comprehensive reconciliation of Consumer Accounts Receivable to rectify any disparities between the general ledger balance and aging schedule, ensuring accuracy in collectible amounts assessment.

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)

The NEA created Task Force Metro to address the metering issues of three ECs in Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the TAWELCO, MAGELCO and LASURECO. This resulted after Region VII and Region VIII electric cooperatives heeded the call of the NEA to help MAGELCO in improving its collection efficiency. After which, a ceremonial installation of donated electric meters to Maguindanao Electric Cooperative, Inc. (MAGELCO) was conducted by Task Force Metro in Parang, Maguindanao del Norte last March 01, 2023.

On 05 July 2023, the NEA together with the beneficiary Electric Cooperatives (ECs) and representatives of various regional associations of ECs signed a Tripartite Agreement. Under the agreement, a number of EC regional organizations will provide a total of 67,300 units of kilowatt hour (kWh) meters to LASURECO, MAGELCO, SULECO, TAWELCO, and BASELCO.

LASURECO will receive a total of 42,300 meters from the Association of Southern Tagalog Electric Cooperatives IV-A (ASTEC), Central Luzon Electric Cooperatives Association (CLECA), Central Visayas Electric Cooperatives Association (CEVECA), Caraga Rural Electric Cooperatives Association (CRECA), and Electric Cooperatives Association of Region VI (ECAR VI).

Meanwhile, MAGELCO will acquire 19,000 meters from CEVECA and Federation of Rural Electric Cooperatives in Region 8 (FRECOR). While SULECO, TAWELCO, and BASELCO will each receive 2,000 units from CEVECA.

In addition, NEA has also allocated electrification program funds for twenty-one (21) sitios in Sulu Area in the total amount of Thirty-eight Million Five Hundred Nine Thousand Eight Hundred Thirty-seven and Ninety-four Centavos (Php 38,509,837.94).

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
2022	D	R	M
2021	D	R	M
2020	Deferred	R	M
2019	D	R	M
2018	D	R	M

Latest assessment of their accomplishments showed that the EC was only compliant in one of the seven (7) performance parameters in EC Classification which is the Cash General Fund. From its Working Capital Fund of Php 53.195M, the cooperative is able to finance its one month working capital requirement of PhP 30.635M. However, the Collection Efficiency standard of 95% was not attained with only 37.12% collection performance and as a result, the cooperative sustained a negative Financial Operation and Net Worth. Despite the financial condition of the cooperative, it was still able to pay its

financial obligation with NEA and other financing institutions. The System Loss of 13.95% is, likewise, not within the standard System Loss cap of 12%.

NEA has provided Management Assistance to TAWELCO by assigning Ms. Peraida T. Jalani as Project Supervisor/ Acting General Manager. Ms. Jalani 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.

With the designation of PS/AGM Peraida T. Jalani, the EC posted improvement in its System Loss and Working Capital Fund. The improvement in System Loss was mainly driven by increase in kWh sales as a result of successful implementation of anti-pilferage activities/programs in Bonggao. Bonggao is the economic center of Tawi-tawi group of islands.

2. BASELCO

Year	Categorization	Classification - Color	Classification - Size
2022	D	R	L
2021	D	R	L
2020	Deferred	R	L
2019	D	R	L
2018	D	R	L

As of 4th quarter of 2023, BASELCO was compliant with only one parameter, the Cash General Fund. With its working capital fund of Php 82.444M, it is able to finance its one month working capital of Php 47.589M. 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 63.61% which is very low compared to the standard criteria of 95%. The cooperative has not been able to pay its financial obligation with its power suppliers. It was also not able to sustain a positive Financial Operation as well as its Net Worth. The System Loss is at 24.56% which is above the standard cap of 12%. System Reliability is also not within the standard with its 288.33 SAIFI and 212,526.59 SAIDI which can be attributed to the expiration of Emergency Power Supply Agreement (EPSA) with Rose Diesel Power Plant. NPC is sole provider of electricity with 4 Diesel power Plant and the total dependable capacity of NPC's power plants is not enough for the 12MW peak load requirement of BASELCO.

BASELCO has an ongoing Competitive Selection Process (CSP) of potential New Power Provider (NPP); a Pre-Bid activity has been conducted last 05 September 2023.

3. SULECO

Year	Categorization	Classification - Color	Classification - Size
2022	B	R	L
2021	C	R	L
2020	Deferred	R	L
2019	C	R	L
2018	C	R	L

The Table shows that SULECO's overall performance rating has improved from "C" in 2018 to "B" in 2022. This was mainly attributable to the dramatic revamp in four (4) operational parameters such as reduced system loss that resulted to a positive result of operation, increase in collection (current-to-current) and obtaining enough funds to cover One Month Working Capital Requirement.

As of 4th quarter of 2023, SULECO was compliant with five (5) of the seven (7) parameters on EC classification namely Cash General Fund, Accounts Payables, Result of Financial operation, System loss and System Reliability. The cooperative is able to finance its one month working capital requirement of Php42.012M with its capital fund of Php189.498M. It also has a positive result of Financial Operation in the total amount of Php 21.498M. The System Loss of 8.22% is within the 12% cap. System Reliability is also within the standard with 15.98 SAIFI and 231.00 SAIDI.

With the low collection performance of the cooperative at 42.54%, it is positive to note that it is still able to finance its one month working capital requirement. SULECO also has a negative Net Worth of Php 648.921M.

The System Loss of the cooperative has notably been reduced to a single digit of 8.22% from 14.35% in 2021 because of continuous rehabilitation of distribution lines and implementation of elevated cluster metering in Sulu.

4. LASURECO

Year	Categorization	Classification - Color	Classification - Size
2022	D	R	EL
2021	D	R	EL
2020	Deferred	R	EL
2019	D	R	EL
2018	D	R	EL

NEA assigned Mr. Nollie B. Alamillo as Project Supervisor of LASURECO whose main task is to supervise the management and operation of the cooperative with the end goal of improving the overall performance of the cooperative. Mr. Rovir Ian M. Golosino and Mr. Percival G. Crisostomo were also designated as Financial and Institutional Assist respectively.

In response to the directive from NEA, LASURECO crafted and submitted an Operational Improvement Plan which detailed the various activities and strategies which serves as a blueprint for the cooperative's operational enhancements and efficiency measures.

As part of its proactive initiatives and in order to guarantee complete precision in meter readings, LASURECO invested in the rehabilitation of existing Big Loads or 3-Phase Consumers. The outcome of this rehabilitation boosts the trust of both the EC and the consumers, ensuring that the recorded consumption of users is entirely accurate.

In addition, a milestone achievement was reached in March 2023 with the completion of the 20 MVA Gadongan Substation construction project. LASURECO promptly fulfilled all necessary requirements and submitted the requisite documents for the energization of the substation to the National Grid Corporation of the Philippines (NGCP) through electronic means. Following NGCP's evaluation, LASURECO was tasked with entering into various agreements, including Metering Service Agreement, Transmission Service Agreement, and registration with the Wholesale Electricity Spot Market (WESM), alongside settling outstanding accounts. These agreements signify LASURECO's proactive approach in ensuring seamless operations and compliance with regulatory standards.

Annex A: Status of 2023 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region I	39	34,929
INEC	-	4,063
ISECO	-	5,141
LUELCO	14	5,266
PANELCO I	5	2,597
CENPELCO	20	8,601
PANELCO III	-	9,261
Region II	18	24,171
BATANELCO	-	607
CAGELCO I	5	4,285
CAGELCO II	-	3,503
ISELCO I	-	3,594
ISELCO II	-	5,085
NUVELCO	4	5,740
QUIRELCO	9	1,357
CAR	50	12,224
ABRECO	-	1,458
BENECO	14	5,918
IFELCO	26	1,132
KAELCO	-	1,916
MOPRECO	10	1,800
Region III	39	60,024
AURELCO	20	2,695
TARELCO I	2	6,287
TARELCO II	6	4,301
NEECO I	-	2,812
NEECO II – Area 1	-	5,517
NEECO II – Area 2	9	5,559
SAJELCO	-	1,368
PRESCO	-	1,479
PELCO I	-	5,103
PELCO II	-	8,478
PELCO III	-	1,742
PENELCO	-	8,229
ZAMECO I	-	3,144
ZAMECO II	2	3,310

Annex A: Status of 2023 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IV-A	57	29,543
FLECO	18	1,911
BATELEC I	-	6,766
BATELEC II	-	14,456
QUEZELCO I	34	5,114
QUEZELCO II	5	1,296
Region IV-B	96	23,684
LUBELCO	-	178
OMECO	15	3,068
ORMECO	60	7,432
MARELCO	4	2,060
TIELCO	16	1,715
ROMELCO	-	579
BISELCO	-	3,955
PALECO	1	4,697
Region V	47	28,315
CANORECO	16	3,256
CASURECO I	21	2,700
CASURECO II	-	3,746
CASURECO III	-	2,873
CASURECO IV	-	2,666
ALECO	-	3,269
SORECO I	-	2,282
SORECO II	8	2,988
FICELCO	2	1,249
MASELCO	-	2,626
TISELCO	-	660
Luzon	346	212,890

Annex A: Status of 2023 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region VI	173	75,720
AKELCO	-	4,399
ANTECO	23	18,877
CAPELCO	30	5,166
ILECO I	21	5,248
ILECO II	18	6,849
ILECO III	44	5,197
GUIMELCO	36	2,157
NONECO	-	5,115
CENECO	-	15,905
NOCECO	1	6,771
Region VII	109	39,494
NORECO I	33	5,520
NORECO II	-	6,253
BANELCO	4	1,106
CEBECO I	54	6,598
CEBECO II		4,574
CEBECO III	13	3,883
PROSIELCO	5	838
CELCO	-	517
BOHECO I	-	4,547
BOHECO II	-	5,658
Region VIII	84	27,840
DORELCO	6	3,299
LEYECO II	-	2,393
LEYECO III	-	1,997
LEYECO IV	12	2,082
LEYECO V	42	4,553
SOLECO	7	3,041
BILECO	-	1,210
NORSAMELCO	11	2,414
SAMELCO I	6	1,454
SAMELCO II	-	2,922
ESAMELCO	-	2,475
Visayas	366	143,054

Annex A: Status of 2023 Rural Electrification Program

Electric Cooperatives	Sitios	Consumer Connections
Region IX	28	31,898
ZANECO	-	10,002
ZAMSURECO I	11	11,060
ZAMSURECO II	15	5,523
ZAMCELCO	2	5,313
Region X	101	25,122
MOELCI I	9	1,732
MOELCI II	10	1,962
MORESCO I	12	3,561
MORESCO II	4	3,597
FIBECO	24	6,787
BUSECO	-	4,057
CAMELCO	-	319
LANECO	42	3,107
Region XI	106	28,716
DORECO	10	2,878
DANECO	67	11,390
DASURECO	29	14,448
Region XII	132	30,022
COTELCO	-	5,396
COTELCO-PPALMA	43	2,472
SOCOTECO I	26	5,041
SOCOTECO II		8,113
SUKELCO	63	9,300
BARM	8	6,788
TAWELCO	-	-
SIASELCO	-	-
SULECO	-	1,019
BASELCO	8	3,087
CASELCO	-	150
LASURECO	-	1,923
MAGELCO	-	609
CARAGA	61	22,987
ANECO	-	6,327
ASELCO	-	5,075
SURNECO	-	1,992
SIARELCO	3	3,496
DIELCO	20	2,041
SURSECO I	11	987
SURSECO II	27	3,069
Mindanao	436	145,833
Total	1,148	501,777

Annex B: 2023 Subsidy Releases

Electric Cooperatives	Amount
REGION I	110,051,728.30
INEC	68,976,155.53
ISECO	575,000.00
PANELCO III	406,852.29
LUELCO	24,197,935.26
CENPELCO	15,895,785.22
REGION II	150,711,564.70
CAGELCO I	42,876,034.56
CAGELCO II	62,576,364.39
ISELCO II	5,276,559.96
QUIRELCO	39,982,555.79
CAR	58,332,167.24
ABRECO	2,920,521.30
MOPRECO	55,411,645.94
REGION III	87,003,797.81
AURELCO	18,435,088.36
TARELCO I	18,200,720.98
TARELCO II	3,679,852.18
PENELCO	11,035,172.93
NEECO II A1	19,273,186.50
NEECO II A2	7,127,683.33
ZAMECO II	9,252,093.53
REGION IV-A	185,000,247.27
BATELEC I	1,040,035.80
BATELEC II	89,654,921.50
QUEZELCO I	19,589,129.28
QUEZELCO II	74,716,160.69
REGION IV-B	220,949,805.79
ROMELCO	44,395,809.99
MARELCO	10,372,934.91
PALECO	19,463,511.02
TIELCO	23,408,500.34
OMECO	18,892,655.17
ORMECO	67,200,996.34
BISELCO	37,215,398.02
REGION V	276,309,254.81
CASURECO I	15,719,040.21
CASURECO III	985,943.73
CASURECO IV	46,091,093.99
MASELCO	1,299,847.24
FICELCO	14,246,330.68

Annex B: 2023 Subsidy Releases

Electric Cooperatives	Amount
REGION V (cont'd.)	
SORECO I	26,911,542.72
SORECO II	2,202,247.64
ALECO	133,738,071.76
CANORECO	35,115,163.84
REGION VI	377,494,384.75
ANTECO	67,648,256.17
ILECO I	29,574,124.15
ILECO II	70,789,083.19
GUIMELCO	61,898,061.82
CENECO	6,989,901.72
CAPELCO	56,247,311.77
NOCECO	42,982,061.95
AKELCO	41,365,583.98
REGION VII	410,982,872.02
CELCO	7,109,456.47
CEBECO I	75,874,454.69
CEBECO II	25,947,757.23
CEBECO III	30,171,030.29
BOHECO I	47,284,629.27
BOHECO II	69,624,903.39
PROSIELCO	6,539,194.52
NORECO I	93,122,602.49
NORECO II	55,308,843.67
REGION VIII	175,542,576.47
NORSAMELCO	11,025,127.22
BILECO	6,208,223.04
SOLECO	57,308,275.98
DORELCO	9,821,669.92
LEYECO IV	43,399,189.09
LEYECO V	41,100,295.05
SAMELCO I	3,527,626.18
SAMELCO II	3,152,169.99
REGION IX	264,344,455.10
ZAMSURECO I	60,176,428.16
ZANECO	204,168,026.94

Annex B: 2023 Subsidy Releases

Electric Cooperatives	Amount
REGION X	191,994,561.30
MOELCI I	8,846,328.52
MOELCI II	31,352,452.55
MORESCO I	83,489,672.55
MORESCO II	7,812,243.10
BUSECO	60,493,864.58
REGION XI	109,151,326.36
NORDECO	4,418,234.90
DASURECO	104,733,091.46
REGION XII	95,689,093.03
SOCOTECO I	55,150,604.10
SOCOTECO II	29,336,353.08
SUKELCO	11,202,135.85
CARAGA	289,395,520.96
ASELCO	3,700,536.20
ANECO	57,841,489.84
DIELCO	59,011,777.50
SURNECO	58,823,987.95
SIARELCO	51,946,303.69
SURSECO I	58,071,425.78
BARMM	78,030,973.35
LASURECO	5,701,523.97
SULECO	30,458,764.72
SIASELCO	1,112,684.91
BASELCO	40,757,999.75
TOTAL	3,080,984,329.26

Annex C: 2023 Status of Loan Releases

Electric Cooperatives	Loan Type	Project/s	Amount
Region I			
CENPELCO	WC	Power Accounts-Sual Power Inc. (formerly SMEC)	100,000,000
REGION II			
BATANELCO	WC	Power Accounts–National Power Corp. (NPC)	3,000,000
Region III			
AURELCO	WC	Power Accounts-Masinloc Power Partners Co., Ltd (Chargeable to RE-FR Loan Balance)	50,000,000
Region IV			
QUEZELCO I	EUCDRP	Installation of Switching Station for Pitogo-Andangan 69Kv Line and Disconnect Switches between Unisan and Pitogo	15,178,146.84
	EUCDRP	Acquisition of Lot for Agdangan 15MVA Substation (1,000 sq.m.)	3,400,000
	SDSL	Rplacement of 10,000 units of Kwhr meters	12,000,000
	SDSL	Replacement of kWhr meters (10,000 units – from mechanical to electronic) and uprating of secondary lines	12,000,000
FLECO	WC	Power Accounts – GNPower Mariveles Energy Center Ltd.	50,000,000
	RE-FR	Replacement of Old/Unreliable 69kv Oil Circuit Breaker of Pakil Substation	4,490,000
Region V			
SORECO I	RE-FR	20MVA Substation, Distribution Line Extension of Feeder Metering and Construction of 0.080km 69kv Sub-Transmission Line Connection Point at Tughan, Juban	15,000,000
Region VI			
ANTECO	WC	Power Accounts-Panay Energy Development Corp. (PEDC)	12,000,000
ILECO III	RE-FR	Construction of 15MVA Banate Substation and Construction of 13.2kv Double Circuit for BF1 and BF2	7,835,905.29

Annex C: 2023 Status of Loan Releases

Electric Cooperatives	Loan Type	Project/s	Amount
NONECO	RE-FR	Supply and Delivery, Removal of Existing unit, installation of new unit, Testing and Commissioning	32,000,000
Region VII			
CELCO	RE	Upgrading the Single Phase Backbone Line to Three Phase Backbone Line and Rehabilitation from Brgy. Villahermosa to Brgy. Puertobello – 50% initial release	2,814,457.81
	RE	Upgrading of Single Phase BACKBONE Line to Three Phase Backbone line and Rehabilitation from Brgy. Adela to Brgy. San Jose – 50% initial release	1,313,507.08
	RE	Upgrading of Single Phase Backbone Line to Three Phase Backbone Line and Rehabilitation from Brgy. Santiago Proper to Mangudlong, Himensulan – 50% initial release	3,096,222.82
	RE	Upgrading of Single Phase Backbone Line to Three Phase Backbone Line and Rehabilitation from Brgy. Campacung San Isidro to Santiago Proper Using Tree Wire – 50% initial release	3,568,631.24
	RE	Upgrading of Single Phase Backbone Line to Three Phase Backbone Line and Rehabilitation from Brgy. Consuelo to Mangudlong, Himensula – 50% initial release	1,794,775.12
	RE	Procurement of Tools, Shop Safety Gadgets and Garage Equipment – 50% initial release	3,499,500
	RE	Procurement of two (2) Boom trucks with Digger and Four (4) Utility Vehicle – 50% initial release	7,024,500.00
	RE	Construction of New Three-Phase Lines to Loop Feeder 3 and Feeder 4 from Bangisig, Rizal to Brgy. San Jose	1,836,000
	RE	Procurement of Additional Kwhr Meter for the year 2022-2026 – 50% initial release	888,000
	RE	Procurement of the replacement of defective Kwhr Meter for the year 2022-2026 – 50% initial release	1,050,000
	RE	Procurement of the Additional Distribution Transformer for the year 2022-2026 – 50% initial release	755,500
	RE	Procurement of 6 Automatic Circuit Recloses for the safety and protection of our New Power Provider (CAMPCOR) and ensure Power Reliability of our Distribution System	2,310,000

Annex C: 2023 Status of Loan Releases

Electric Cooperatives	Loan Type	Project/s	Amount
BOHECO II	EUCDRP	Replenish of Buffer Stocks Used in Odette and Additional Buffer Stocks to cover the cost for the rehabilitation of distribution system and facilities damaged	50,000,000
	WC	Power Accounts – Green Core Geothermal, Inc.	50,000,000
NORECO I	WC	Power Accounts – FDC Misamis Power Corp. (FDCMPC)	10,000,000
Region VIII			
LEYECO V	FR-Renewable	Acquisition of right of way for the affected lots/properties and access road for the construction of 2 MW Bao-Mini-Hydro Power Project	3,447,720
	FR-Renewable	Interest payment for DBP loan during grace period	7,621,531.69
NORSAMELCO	EUCDRP	Acquisition and Commissioning of 20/25MVA Power Transformer at the Bobon Substation	24,977,000
Region XI			
ZANECO	RE-FR	Acquisition of KWH meters, distribution transformers, poles and service drop wires	42,781,000
ZAMSURECO II	WC	To finance the monthly shortfall on the settlement of I ts accounts with GNPow er Kauswagan Ltd. Co.	60,000,000
Region X			
MORESCO I	RE-FR	Construction of MORESCO I's new administration building in Poblacion, Laguindingan, Misamis Oriental (3 rd Release)	20,542,984.83
	Gensets	Supply, Delivery, Installation and Commissioning of 3 units 2MW Modular Gensets-10% Retention	12,851,284.31
	EUCDRP	Construction of Additional 10/12.5 MVA Substation in front of the existing Canitoan 10/12.5 MVA Substation	49,200,000
BUSECO	RE	Standard Connection Facilities	4,652,914.71
	RE	Replacement of Reclosers	4,900,000
	RE	Replacement of Dilapidated Poles	12,235,769
	RE	Replacement of Defective kWhr Meter	13,924,731.56

Annex C: 2023 Status of Loan Releases

Electric Cooperatives	Loan Type	Project/s	Amount
LANECO	WC	Power Accounts–FDC Misamis Power Corp. (FDCMPC)	27,772,883.68
	WC	Power Accounts-GNPower Kauswagan Ltd. Co. (GNPK)	22,227,116.32
	STCF		150,000,000.00
MORESCO II	WC	To finance the monthly shortfall on the settlement of its accounts with FDC Misamis Power Corporation	50,000,000
CAMELCO	WC	Power Accounts-FDC Misamis Power Corp. (FDCMPC)	13,356,500
CAMELCO	WC	Retirement Benefits	2,643,500
CAMELCO	WC	Power Accounts - Independent Electricity Market Operator of the Philippines, Inc. (IEMOP)	9,000,000
CAMELCO	WC	Retirement Benefits	5,000,000
Region XI			
DASURECO	RE-FR	Uprating of the Existing 5MVA Malalag Substation to 20MVA	36,400,000
Region XII			
SOCOTECO I	RE-FR	Construction of ASD 1 Office	7,748,535.45
BARMM			
BASELCO	CONCESSIONAL	Replacement of Old, Broken and Rotten Poles	5,084,166.90
	CONCESSIONAL	Replacement of Dilapidated Transformers	1,608,319.70
	CONCESSIONAL	Installation of Protection/Reclosers in Lamitan City	875,000
	CONCESSIONAL	Rehabilitation of Distribution lines and Elevated Metering	14,844,385.86
	CONCESSIONAL	Rehabilitation of Distribution lines in Brgy. Tinambakan Lamitan City	4,778,034.09
SIASELCO	CONCESSIONAL	Construction of Office Building and acquisition of office furniture	4,000,000
TAWELCO	CONCESSIONAL	Rehabilitation and Upgrading Project: Replacement of Rotten Poles, Elevated Meter Pole Clustering & Replacement of Stuck-Up Kwhr Meter in Brgy. Poblacion, Lamion I, II & III, Bongao, Tawi-Tawi	10,485,514.66

Annex C: 2023 Status of Loan Releases

Electric Cooperatives	Loan Type	Project/s	Amount
CARAGA			
SURSECO I	RE-FR	Supply and delivery of materials and labor for the relocation of Barobo Substation, uprating and installation of Barobo Substation from 5MVA TO 10MVA (50% Final Release)	19,390,932.50
SIARELCO	RE-FR	Buffer stocks for Contingencies/Emergency/Calamities	3,335,785.85
TOTAL			1,102,540,867.31