- · Signing of a Memorandum of Agreement with the Department of Social Welfare and Development (DSWD) for the implementation of the PhP2.4 Billion "Katas ng VAT-Pantawid Kuryente Program" on June 12.
- 2009 Signing of Proclamation No. 1743 by President Gloria Macapagal Arroyo declaring August of every year as National Electrification Awareness Month on March 16.
- · Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2008 for the 2nd consecutive year.
- Citation as "PGS-Proficient", for reaching the third level of the PGS on September 24
- 2010 Grant of award from the Economic Journalists Association of the Philippines (EJAP) for generosity, support and inspiration provided to the association on September 16.
- Citation as "PGS-Institutionalized", for attaining the fourth and final level of the PGS on September 23.
- · Grant by COA of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2009 for the third consecutive year.
- 2011 Receipt of the First Environmental Excellence Award in June.
- Energization of the nine millionth consumer connection, household of Mrs. Sheila Marie Agbavani in Sta. Ana. Cagavan.
- Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2010 for the fourth consecutive year.
- 2012 Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2011 for the fifth consecutive year.
- 2013 Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2012 for the sixth consecutive year.
- Nomination as a finalist in the 2013 United Nations Public Service Awards under the category of Improving Service Delivery.
- Ceremonial energization of the 10 millionth consumer connection on August 20, household of Mrs. Elena Lagumbay in Bato, Leyte.
- Approval of Republic Act No. 10531, otherwise known as an Act Strengthening the National Electrification Administration (NEA) by President Benigno S. Aquino III on May 7 and its Implementing Rules and Regulations on July 26.
- Mobilization of Task Force Kapatid "Yolanda" (international name: Haiyan) wherein the combined efforts of NEA, ECs and industry partners restored power to areas affected by the strongest typhoon to landfall in the Philippines starting November 12
- 2014 Recipient of an Outstanding Accounting Office Award from the Association of Government Accountants of the Philippines (AGAP) on October 21.
- · Grant of the second Environmental Excellence Award from the Department of Environment and Natural Resources (DENR) on November 21 for NEA's Energy Management Program.
- Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 2013 for the seventh straight year.
- 2015 Recognition by the House of Representatives through House Resolution No. 157 for Task Force Kapatid Volunteerism on March 17.
- Award of an ISO 9001:2008 Certification by TUV Rheinland Cert GmbH on February 10 after completing two stages of certification audit.
- Conferment by COA of an Unqualified Audit Opinion on NEA's financial position as of December 2014 for the eight year.
- Distinguished as the first GOCC to join the roster of "Island of Good Governance" by the Institute for Solidarity in Asia, Institute of Corporate Directors and National Competitiveness Council on October 21.
- · Acknowledgement for the second consecutive year as one of the Most Outstanding Accounting Offices in the Philippines by AGAP on October 31.
- Ceremonial energization of the 11 millionth consumer connection on September 15. household of Ms. Luisa Laguyo in Hungduan, Ifugao.
- 2016 100% accomplishment of 32,441 Sitio Electrification Program of the Aguino Administration on March 31.
- · Switch-on of the country's first Underground Distribution System (UDS) in Batan Island, Batanes on April 24

- Upgrading of ISO Certification to 9001:2015 standard on November 10.
- Topped the 10 outstanding recipients of the Energy Efficiency and Conservation in Government Buildings Award given by DOE on December 12.
- 2017 Conferment by COA of Unqualified Audit Opinion on NEA's financial positions for FY 2015 and 2016.
- · Ceremonial energization of the 12 millionth consumer connection on August 25, household of Mrs. Rocie Donggon in Tagum City. Davao del Norte.
- Recertification to ISO 9001:2015 standard by TUV Rheinland on December 6.
- 2018 Recertification to ISO 9001:2015 standard by TUV Rheinland after passing the surveillance audit on December 5.
- Conferment by COA of an Unmodified Audit Opinion on NEA's financial position as of December 2017 for 12 consecutive years.
- Approval of the Implementing Rules and Regulations (IRR) of the Electric Cooperatives Emergency and Resiliency Fund Act (ECERF) by the NEA Board of Administrators through Resolution No. 208 on December 7.
- 2019 Recertification to ISO 9001:2015 standard by TUV Rheinland on November 26.
- Ceremonial energization of the 13 millionth consumer connection on July 12, household of Ms. Feliza Pangilan in Malungon, Sarangani.
- · Conferment by COA of an Unmodified Audit Opinion on NEA's financial position as of December 2018 for 13 consecutive years.
- 2020 Recertification to ISO 9001:2015 standard by TUV Rheinland on December 11.
- · Citation to the Government Energy Management Program (GEMP) by the DOE on December 7.
- Conferment of the Second Runner-up FOI Champion in the 2020 Freedom of Information (FOI) Awards by the Presidential Communications Operations Office (PCOO) on November 25.
- · Commendation for Prompt Action on government's 8888 Citizens' Complaint Center by the Office of the President on November 23.
- · Conferment by COA of an Unmodified Audit Opinion on NEA's financial position as of December 2019 for 14 consecutive years.
- 2021 Ceremonial energization of the 14 millionth consumer connection on April 16, household of Mrs. Indahming Asanji in Jolo, Sulu.
- · Citation for supporting the national government's COVID-19 vaccination program by the Inter-Agency Task Force.
- Recertification to ISO 9001:2015 standard by TUV Rheinland after passing the surveillance audit on December 20.
- Commendation for the second consecutive year for Prompt Action on government's 8888 Citizens' Complaint Center by the Office of the President.
- · Conferment by COA of an Unmodified Audit Opinion on NEA's financial position as of December 2020 for 15 consecutive years.
- 2022 Citation to the Government Energy Management Program (GEMP) by the DOE on April 30.
- · Ceremonial energization of 15 millionth consumer connection on August 17, household of Datu Sumusunod Jimmy Man-anohog, Sr. in San Francisco, Agusan del Sur.
- · Recertification to ISO 9001:2015 standard by TUV Rheinland after passing the surveillance audit on December 5.
- · Recognition by the Governance Commission of GOCC's (GCG) as one of the topperforming GOCCs on December 5.
- · Conferment by COA of an Unmodified Audit Opinion on NEA's financial position as of December 2021 for 16 consecutive years.

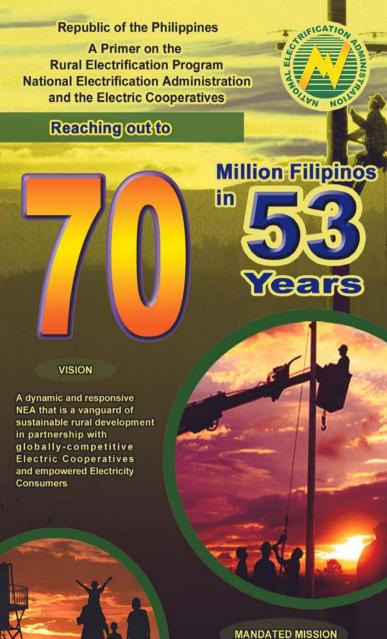
#### NATIONAL ELECTRIFICATION ADMINISTRATION

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#### ANTONIO MARIANO C. ALMEDA

Administrator



To promote the sustainable development in the rural areas through rural electrification

To empower and strengthen the 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

To empower and enable Electric Cooperatives to cope with the changes brought about by the restructuring of the electric power industry

December 2022

## The Philippine Rural Electrification Program (REP)

Electricity is considered as a universal commodity and a basic necessity in life. It is an important tool that contributes to the development of a community. Without electricity, economic growth would be greatly hampered.



The Philippines is the country in Asia that is a frontliner in the Rural Electrification Program (REP). It initiated the lighting up of the countryside from a few hundred households to 15 million connections which benefited 70 million Filipinos for more than five decades. The impact of power in the rural areas has been reflected in the rise of small and medium scale industries and in the improvement

of the lives of rural folks through the availability and use of electric-driven appliances in their homes.

## The National Electrification Administration (NEA)

Instrumental to the success of its implementation is the National Electrification Administration (NEA). Created on July 28, 1969 through Republic Act No. 6038 which later became a corporation under Presidential Decree No. 269 on August 6, 1973 and has been granted additional power by virtue of Presidential Decree No. 1645 on October 8, 1979.



For 53 years, NEA has undertaken the

task of improving the socio-economic status of the people in the countryside through electrification. NEA has provided legal, institutional, financial and technical (LIFT) assistance to the Electric Cooperatives (ECs) which in turn undertake power distribution on an area coverage basis.

Section 58 of Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 mandates NEA to strengthen the technical capability and financial viability of rural ECs as electric distribution utilities and to prepare said ECs to operate and compete in the deregulated electricity market, specifically in an environment of open access and retail wheeling.

Republic Act No. 10531 also known as the National Electrification Administration Reform Act of 2013 further strengthens NEA's role in helping the ECs become economically viable and prepare them for the implementation of the retail competition and open access.

# The Electric Cooperatives (ECs)

ECs serve as NEA's partners in the REP. They have been organized as private, non-stock, non-profit, non-political entities owned and operated by the consumers they serve.

There are 121 ECs operating nationwide that are rated as AAA, AA, A, B and C depending on the annual Key Performance



Standard (KPS) based on financial, institutional, technical and reportorial requirements. ECs are also classified as Mega Large, Extra Large, Large, Medium and Small according to the number of consumers they serve, sales they make and kilometers of line they have constructed.

### Rural Electrification Highlights

- 1960 Enactment of Republic Act No. 2717, creating the Electrification Administration for the purpose of carrying out the national policy of furnishing cheap and dependable electric power and facilities in order to promote and accelerate the agricultural and industrial development of the country.
- 1969 Passage of Republic Act No. 6038, an act declaring a national policy objective
  for the total electrification of the Philippines on an area coverage basis, providing for
  the organization of the National Electrification Administration, the organization,
  promotion and development of electric cooperatives (ECs) to attain the objective,
  prescribing the terms and conditions for their operation, the repeal of R.A. 2717.
- Grant of the first loan for rural electrification by the United States of America in the amount of \$3.5 Million to the Philippine Government which financed the two pilot projects.
- 1971 Energization of MORESCO and VRESCO, presently known as NONECO.
   Both became the models for the eventual development of the ECs in the country.
- 1972 Grant of an initial loan of \$20 Million from the USAID to finance the equipment and material requirements of 36 ECs.
- 1973 Proclamation of Presidential Decree No. 269 creating the National Electrification Administration (NEA) as a government-owned or controlled corporations (GOCC) on August 6.
- 1974 Energization of the original backbone system of MORESCO, VRESCO (NONECO), CAPELCO, ALECO, LANECO, INEC and LEYECO I.
- 1975 Energization level rose to 232 towns and 228,264 households nationwide.
- 1976 Emergence of the Philippine Rural Electrification Program as a model for developing countries throughout the world.
- 1977 Organization of 100 ECs, with at least one EC in each province.
- 1979 Enactment of Presidential Decree No. 1645 which amended Presidential Decree No. 269 and authorized NEA's capital stock to be increased from PhP2 Billion to PhP5 Billion and broadening its lending and regulatory powers.
- Energization of the one millionth consumer connection, household of Mr. Pedro Sarmiento Valeza in Virac, Catanduanes.
- 1980 Energization of the 10,000th barangay, Badajos, a fishing village in San Francisco, Quezon.
- 1981 Installation of the first submarine cable in Alabat Island, Quezon.
- Inauguration of two USAID-funded International Rural Electrification Centers located in Agoo, La Union in Luzon and Laguindingan, Misamis Oriental in Mindanao.
- 1982 Electrification of ten major islands and energization of the two millionth consumer connection, household of Mr. Rodulfo Maynigo in Malasiqui, Pangasinan.
- 1983 Commissioning of five mini-hydro plants with 9,000 KW combined capacity
- 1985 Energization of the 120th EC, the Siargao Island Electric Cooperative, Inc. (SIARELCO).
- Registration of Ticao Island Electric Cooperative, Inc. (TIELCO) brought the number of organized ECs to 128.
- 1987 Energization of 1,281 municipalities and 20,170 barangays, benefitting about 2.8 million households.
- 1989 Energization of the three millionth consumer connection, household of Mrs.
   Annabelle Lutche in Tacurong City, Sultan Kudarat and installation of Regional Electrification Centers.
- · Launching of pilot projects on photovoltaic systems.
- 1990 Redefinition of the NEA's policy thrust from "total electrification on an area coverage basis" to "function as an interested lender in order to promote total electrification through viable rural electric cooperatives that provide reliable service toward countryside development".
- 1991 Signing of the relending agreement between the National Government and NEA for the World Bank-Energy Sector Loan (WB-ESL) in February 21. The project, amounting to \$18.10 Million was composed of institutional strengthening, rehabilitation/upgrading of distribution systems for 12 ECs and substations for eight ECs.

- 1992 Commissioning of 20 mini-hydro projects and 120 solar home systems.
- Approval of RE Revitalization Loan Package amounting to \$91.3 Million to benefit 54 ECs.
- 1993 Arrival of the USAID Grant Computer packages worth \$8.2 Million for the Local Area Network (LAN) operation in September.
- 1994 Celebration of NEA's 25th anniversary with His Excellency President Fidel V. Ramos as guest of honor.
- Signing of the Overseas Economic Cooperation Fund (OECF) Rural Electrification
   Extension Project Loan from the 18th Yen Package in November 16 amounting to
   Y10.005 Billion (PhP2.463 Billion) for the procurement of equipment and materials
   for rehabilitation, add-ons and expansion of distribution lines and support facilities.
- 1996 Energization of the four millionth consumer connection, household of Ms. Nurcelyn Sangkula Hayudini in Patikul, Sulu.
- 1997 Attainment of the 100% level of energization for the 1,469 municipalities.
- 1999 Energization of the five millionth consumer connection, household of Mrs. Gloria Agustin in Caluya, Antique.
- 2000 Receipient of accreditation as the first ISO 9001-certified GOCC.
- 2001 Launching of the O-ILAW Project to accelerate barangay energization program.
- Passage of Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001, an act ordaining reforms in the electric power industry.
- 2002 Organization and implementation of Task Force Kapatid to speed up the electrification program in Lanao del Sur and Masbate.
- Approval of the Implementing Rules and Regulations of the EPIRA (RA 9136) in February.
- Signing of Executive Order 119 on August 28 by President Gloria Macapagal-Arroyo for the "Restructuring Program of Electric Cooperatives" as provided in Section 30 of the EPIRA.
- 2003 Energization of the six millionth consumer connection, household of Mrs. Nenita Dagandan in Leyte, Leyte.
- Approval of NEA's new Organizational Structure and Staffing Pattern by the Department of Budget and Management (DBM) on December 5 paving the way for NEA's restructuring.
- 2004 Appointment of Sec. Francisco G. Silva as the first Presidential Adviser on Rural Electrification and Confirmation of Appointment of Ms. Edita S. Bueno as the first female Administrator on July 28.
- Signing of Administrative Order No. 112 on December 7 which empowers NEA with full and sole authority and responsibility in the conversion of ECs into stock cooperatives.
- 2005 Energization of the seven millionth consumer connection, household of Mrs.
   Susan Montefalcon in Manolo Fortich, Bukidnon.
- Citation by the Commission on Audit (COA) as the first government corporation to implement the electronic New Government Accounting System or e-NGAS.
- 2006 Awarded as Top 3 government-owned or controlled corporation (GOCC) in the Government Energy Management Program (GEMP).
- Ranked among the Top 10 State Firms by the Institute of Corporate Directors (ICD) for best practices in corporate governance.
- 2007 Recipient of the Best Customer Award from the University of the Philippines-National Engineering Center (UP-NEC) in recognition of its contribution in the development of the NEA and EC workforce under the reformed industry on January 26.
- Citation as "PGS-Initiated", a commendation for quality public governance by the Institute for Solidarity in Asia/Institute for Corporate Directors on August 30 in the Public Governance System (PGS).
- 2008 Conferment of a 5-Star Rating for garnering 95% in Energy Conservation under the GEMP on April 15.
- Citation as "PGS-Compliant", for attaining the second level of Public Governance System, by the Institute for Solidarity in Asia/Institute for Corporate Directors on August 29.
- Energization of the eight millionth consumer connection, household of Mrs. Teresita Pacayra in Calbiga, Samar.
- Conferment by the Commission on Audit (COA) of an Unqualified Audit Opinion on NEA's financial position as of December 31, 2007.