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enerNEA

The Official Newsletter of the National Electrification Administration

NEA TEAMS UP WITH DOST, AIEC TO DEVELOP SCADA SYSTEM FOR OFF-GRID ECs





The National Electrification Administration (NEA) has collaborated with the Department of Science and Technology (DOST) and the Association of Isolated Electric Cooperatives, Inc. (AIEC) to develop a supervisory control and data acquisition (SCADA) system for offgrid electric cooperatives (ECs).

NEA Administrator Antonio Mariano Almeda entered into a Memorandum of Understanding (MOU) with DOST Secretary Renato Solidum, Jr. and AIEC President Rene Fajilagutan to formalize the partnership during a signing ceremony held on 23 May 2024, at the NEA office in Quezon City.

The MOU states that all parties agree to mutually provide technical assistance and work together to establish and develop a SCADA system for AIEC's 44 Member ECs. A technical working group (TWG) shall be formed to carry out the objectives of the agreement. In the power distribution sector, a SCADA system functions as the main control center, responsible for monitoring and regulating various electrical parameters. This helps the ECs optimize their systems to ensure efficient and reliable service for their member-consumerowners. continued on page 2.......

NEA Remits Over P43-M to National Government, Gets DOF Recognition on GOCC Day

The National Electrification Administration (NEA) has remitted a total of P43,058,291.62 in dividends to the national government, which the Department of Finance (DOF) acknowledged during the 2024 Government-Owned or -Controlled Corporations (GOCC) Day. continued on page 2 •••••••

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Under the MOU, the NEA is tasked with providing technical support and sharing relevant data to ensure that the intended SCADA system is compatible with its Digital Dashboard Command Center (DDCC).

The DDCC is one of the flagship projects of the state-owned corporation under the Almeda administration, which aims to streamline data between the NEA Business Intelligence Technology and the SCADA systems of ECs on a real-time basis.

The DOST shall carry out its responsibilities under the MOU primarily through its CARAGA and Advanced Science and Technology Institute (ASTI) Offices. They are expected to provide the necessary technical consultancies and collaborative assistance to develop the intended SCADA Software.

Serving as points of contacts for the parties are Fajilagutan for AIEC, DOST-ASTI Director Franz De Leon, DOST-Caraga Regional Director Noel Ajoc, and NEA Project Director for DDCC Rod Padua.

NEA Remits Over P43-M...

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NEA Administrator Antonio Mariano Almeda accepted the Certificate of Recognition signed by Finance Secretary Ralph Recto in a ceremony held at the Philippine International Convention Center (PICC) in Pasay City with President Ferdinand Marcos, Jr. and Executive Secretary Lucas Bersamin in attendance.

In his speech, President Marcos recognized the people who keep the GOCCs running for their invaluable contributions to his "Bagong Pilipinas" governance agenda. According to DOF, 47 state-owned corporations have so far transmitted PhP88.6-billion to the national government as of 06 May 2024.

"These dividends form a major source of non-tax revenues for the government, making possible our goal for raising funds without the need to impose additional taxes on our people," Recto said in his remarks at the GOCC Day.

"Since those dividends also come from the people, let me assure you, that they will be carefully spent like the precious taxes that come from the sweat of their brow. It will be plowed back to them through projects and programs that will improve their lives," President Marcos noted for his part.

Administrator Almeda thanked both the DOF and the President for the recognition. Since assuming office in 2022, the incumbent NEA chief has taken the necessary measures to improve the services of the agency and the 121 electric cooperatives (ECs) under its jurisdiction.

NEA is a GOCC attached to the Department of Energy (DOE). It is tasked to implement the rural electrification program of the national government by strengthening the legal, institutional, financial, and technical viability of the ECs for the benefit of the communities they serve.

NEA ENDORSES TO DOJ SEVERAL CASES INVOLVING ERRING ECS



On 06 May 2024, the National Electrification Administration (NEA) Administrator Antonio Mariano C. Almeda personally endorsed several of the NEA's administrative cases to the Department of Justice (DOJ). Almeda met with DOJ Undersecretary Jose R. Cadiz, Jr., referring several cases for the proper determination of possible criminal liabilities therein.

The Electric Cooperatives (ECs) subject of the said cases include: the Negros Occidental Electric Cooperative (NOCECO), wherein the NEA found the respondents therein administratively liable for having unduly granted themselves salaries, allowances, and benefits over and above the NEA's Guidelines and without the NEA's explicit approval, amounting to roughly Eighty-Two Million Pesos (PhP82,000,000.00) over the span of roughly three (3) years; (ii) overspending on non-power costs amounting to Ninety-Two Million Seven Hundred Thousand Pesos (PhP92,700,000.00); continued on page 4



NEA HOLDS SUMMIT TO FACILITATE SHARING OF BEST PRACTICES AMONG ELECTRIC COOPERATIVES









Administrator Antonio Mariano Almeda called on all Electric Cooperatives (ECs) nationwide to share their best practices to enhance the reliability and efficiency of their power distribution services for the benefit of their member-consumer-owners (MCOs). Included in the agenda are the following areas of concern: fluctuating voltage in the technical systems of the co-ops; management of the EC Reinvestment Funds and EC Retirement Funds; loan facilities to establish the Advanced Metering Infrastructure (AMI), Supervisory Control and Data Acquisition System (SCADA) and Geographic Information System (GIS) of the ECs; concerns with respect to the enhanced Integrated Computerized Planning Model (e-ICPM); and the timeline of EC bidding activities.

Concerning fluctuating or low power voltage experienced by some ECs, General Managers were advised to maintain the flow of investments in reliable power facilities. "If you see that a sitio needs to be electrified, kabitan niyo na, gastusan niyo na (then connect it, invest in it). You are expected to be proactive. Tulungan niyo NEA na ma-achieve (Help NEA to achieve) 100 percent electrification," Administrator Almeda said.

Also discussed during the summit were the two Memorandums issued by the Agency regarding the management of EC Retirement Funds. Said issuances came immediately after NEA's recent probe into the anomalous depletion of the reserves of an EC in Nueva Ecija. Administrator Almeda reminded the ECs of their compliance with the 15 March 2024 Memo which required the submission of Board Resolutions on their employees' retirement funds. The NEA Chief also reiterated his warning against practices which result in the improper use of such funds.

Other matters discussed during the 2024 NEA-EC Summit include the potential extension of loan facilities to certain co-ops in order to facilitate the integration of AMI, GIS and SCADA System into their operations.

Notably, the meeting participants also talked about the implementation of the enhanced Integrated Computerized Planning Model (e-ICPM), a project which aims to enhance proper planning among co-ops.

The NEA reminded all ECs to abide by the prescribed timelines to complete their respective bidding activities, as well as to continuously and monitor and update their lists of blacklisted or non-performing contractors/suppliers.

The participants were also informed of the partnership between NEA and the Department of Labor and Employment (DOLE) which will provide assistance to ECs on matters concerning the organization of employees' unions and the negotiation of Collective Bargaining Agreements (CBAs).

Lastly, NEA and the participants discussed the possible rationalization of the activities of EC allied organizations in order to minimize expenses related thereto.



NEA ENDORSES TO DOJ... from page 2



(iii) violations of the NEA's Procurement Guidelines; and (iv) the undue grant of salary increases, allowances, and benefits over and above the NEA's Guidelines and without the NEA's explicit approval, among others; and

The Nueva Ecija II Electric Cooperative, Inc.-Area 2 (NEECO 2-Area 2), which is currently being investigated by the NEA, with the assistance of the National Bureau of Investigation (NBI). This incident stems from a systems breakdown of NEECO 2-Area 2's checks and balances of its employee retirement fund, as well as its general fund, which resulted in the misappropriation of roughly Two Hundred Fifty Million Pesos (PhP250,000,000.00).

In the same meeting, the DOJ likewise advised the NEA on the other possible remedial measures available to it in pursuing erring ECs. The DOJ likewise manifested its continuing support to Administrator Almeda's campaign for the promotion of good governance and accountabilities. The NEA is the National Agency having primary regulatory jurisdiction over all ECs, regardless of registration, pursuant to Presidential Decree No. 269, as Amended by Republic Act No. 10531, among others.

NEA, MIC Hold Initial Talks to Draw Plans for Improving Electrification of Mindoro Islands

The National Electrification Administration (NEA) and Maharlika Investment Corporation (MIC) held a meeting on Tuesday to discuss future plans aimed at improving the power supply and distribution systems for the provinces of Occidental and Oriental Mindoro.

NEA Administrator Antonio Mariano Almeda and MIC President/CEO Rafael Consing, Jr. met at the former's office in Diliman, Quezon City—pursuant to the MIC's Memorandum of Agreement with the local government units (LGUs) and electric cooperatives (ECs) of both provinces.

The MIC—the implementing arm of the Maharlika Investment Fund (MIF)—requested the assistance of NEA to plan, evaluate, and verify the status of the Mindoro Island Loop for the purposes of upgrading and/or rehabilitation of the same.

The NEA coordinated the partnership between the MIC, Occidental Mindoro Electric Cooperative, Inc. (OMECO), Oriental Mindoro Electric Cooperative, Inc. (ORMECO), and their respective provincial governments through a MOA signing ceremony last 30 April 2024.

Administrator Almeda said this development was meant to facilitate key energy distribution development projects to address the rotational brownouts in the Mindoro islands due to lack of reliable power supply.

"Reliable power precedes progress. By upgrading and rehabilitating the area's existing electrical infrastructure, we can open the doors to further investments and socio-economic development," the NEA chief said in his remarks at the MOA signing ceremony last week.

Also present during the meeting were MIC Chief of Staff Atty. Miguel Consing, NEA Deputy Administrators Atty. Vic Alvaro (Corporate Resources and Financial Services), Engr. Butch Silvano (Technical Services), Management and Consultancy Services Office (MCSO) department manager Atty. Ivan Darwin Zamora, and Accounts Management and Guarantee Department (AMGD) manager Rosie Alamillo.

NEA INITITATES FORUM TO DISCUSS "ANTI-BILL SHOCK" LENIDNG PROGRAM, OTHER PRESSING ISSUES OF ECs



The National Electrification Administration (NEA) gathered key electric cooperative (EC) officials in a summit with the Land Bank of the Philippines (LBP) on 10 May 2024, to discuss its "Anti-Bill Shock" lending program and other services that can help resolve the ECs' ongoing financial challenges.

NEA Administrator Antonio Mariano Almeda initiated the forum in light of the recent power grid updates that triggered rising electricity costs, causing financial stress to many customers, including the EC member-consumer-owners (MCOs).

"Let's take advantage of this forum for us to familiarize, strategize how we can make use of the facilities of the Land Bank... Not only the antibill shock, but (also) other programs that can augment the financial situations, working capital of the electric cooperatives," he said.

LBP President and Chief Executive Officer Lynette Ortiz welcomed the opportunity to speak and engage with the power co-ops, as the state-owned bank aims to reinforce its ongoing partnership with the Department of Energy (DOE) and the agencies attached to it. continued on the next page

NEA INITIATES FORUM...

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"We're going beyond lending facilities today. We are also looking to present to you our digital platform because Land Bank has invested and made our systems very robust to ensure that digital solutions are available to all our clients," Ortiz told the EC general managers present. "Land Bank is working very closely with NEA and the Department of Energy in a collaborative effort to support you and ensure reliable and affordable electricity supply nationwide... This is an excellent partnership that we further wish to intensify and cement," she added.

The 'Anti-Bill Shock' lending program was first introduced in April 2023. It was designed to assist power distribution utilities, such as ECs, to cushion the impact of high electricity bills due to increased consumption, especially during extremely hot months, on the MCOs.

Aside from this short-term credit facility, NEA also wants the power co-ops to consider working with state-owned financial institutions in terms of managing their retirement funds and cash flow. "I'm sure Land Bank can offer better being a government financial institution," Administrator Almeda said.

The NEA chief encouraged the EC general managers to explore other viable options through government financial institutions in managing their resources because he wants to "maintain the sanctity and restrictive nature of the retirement fund."

In the afternoon session, Administrator Almeda gave a marching order for ECs that have yet to safeguard their financial resources to "immediately to look for an accredited trust fund manager and to

turn over the management of the retirement fund." The NEA chief said that EC retirement funds have to be strictly regulated.

At least 113 representatives from 102 ECs attended the summit. Other topics discussed during the whole day session include the issues concerning the EC allied organizations, the power supply procurement plan (PSPP), and expiring emergency power supply agreements (EPSA) of some co-ops.

Administrator Almeda and other NEA executives present reiterated their reminders to the EC management personnel to prepare the necessary documents ahead of time for their respective power supply contracts to ensure uninterrupted services to their MCOs down the line.

NEA SPEARHEADS PARTNERSHIP BETWEEN MIC, ORIENTAL AND OCCIDENTAL MINDORO LGUS, ECS

The National Electrification Administration (NEA) welcomed on Monday the signing of a Memorandum of Agreement between the provincial governments of Oriental and Occidental Mindoro and their respective electric cooperatives (ECs) with the Maharlika Investment Corporation (MIC).

Leading the ceremony was NEA Administrator Antonio Mariano Almeda, with the event graced by MIC President and CEO Rafael Jose Consing, Jr., Occidental Mindoro Gov. Eduardo Gadiano, Oriental Mindoro Gov. Humerlito Dolor, and Department of Finance Usec. Catherine Fong.

Signing the MOA on behalf of the Oriental Mindoro Electric Cooperative, Inc. (ORMECO) was general manager Humphrey Dolor and his counterpart at Occidental Mindoro Electric Cooperative, Inc. (OMECO) Engr. Celso Garcia.

The LGUs and ECs of Occidental and Oriental Mindoro entered into an agreement with MIC to finance key energy distribution infrastructure development projects to address the recurring power crisis in the said provinces due to supply shortages.

"The Mindoro Islands have struggled with energy security in the past years. The magnitude of the problem was undeniable, affecting both residents and businesses," Administrator Almeda said in his remarks, highlighting the significance of the pact. continued on the next page



NEA Forges Pact with MIC, PALECO to Address Power Supply Issues in Palawan



The National Electrification Administration (NEA) entered into a partnership with the Maharlika Investment Corporation (MIC) to improve the electrical infrastructure of Palawan Electric Cooperative (PALECO).

NEA Administrator Antonio Mariano Almeda signed a Memorandum of Understanding (MOU) with MIC President and CEO Rafael Consing, Jr. and PALECO General Manager Engr. Rez Contrivida in a ceremony held on 23 May 2024, at the NEA office in Quezon City.

A representative for Palawan 2nd District Rep. Jose Alvarez and National Transmission Corporation (TransCo) President Engr. Fortunato Leynes also signed the document as witnesses.

This latest collaboration seeks to stabilize power supply in Palawan to keep attracting businesses and industry in the province for its economic growth. The parties agree to mutually provide technical assistance and share relevant data to achieve this goal.

Under the six-page accord, the MIC intends to conduct studies to assess the present electrical system of Palawan and determine ways to improve it. *continued on the next page*



News Around the ECs



NEA SPEARHEADS PARTNERSHIP...

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"Reliable power precedes progress. By upgrading and rehabilitating the area's existing electrical infrastructure, we can open the doors to further investments and socio-economic development," he added.

MIC is a state-owned corporation that serves as the sole vehicle for mobilizing and utilizing the Maharlika Investment Fund (MIF). The MIF was designed to catalyze economic development by mobilizing government financial assets that are otherwise limited in use by current legal frameworks.

Also in attendance at the signing ceremony were National Transmission Corporation President and CEO Fortunato Leynes, Independent Electricity Market Operator of the Philippines (IEMOP) President and CEO Atty. Richard Nethercott, and Oriental Mindoro Vice Gov. Ejay Falcon.

It has the discretion to finance its upgrades, subject to the availability of funding and consistent with its investment strategy and risk management frameworks.

PALECO, on the other hand, is bound to extend all kinds of assistance relative to the implementation of the MOU. It is expected to provide technical and operational expertise, including access to relevant data and information, to its collaborators.

The agreement adheres to the 'Bagong Pilipinas' governance agenda of the Marcos administration that seeks to invest the Philippines' first sovereign wealth fund into key investments—such as energy development—to sustain the positive trajectory of the country's economy.

Administrator Almeda initiated the partnership to accelerate the 100 percent total electrification thrust of the NEA, but more importantly to secure supply of electricity. Palawan has struggled with rotational brownouts due to technical issues and power supply deficiency for years, which the state-owned corporation has been trying to address. In April, the NEA forged a similar arrangement with the local governments and electric cooperatives of Oriental and Occidental Mindoro.

NEA Forges Pact...

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<mark>ADMIN</mark> AT MAASIM, SARANGGANI

NEA Administrator Antonio Mariano Almeda traveled to Maasim, Sarangani on 17 May 2024, for the inauguration of the 14.5-megawatt (MW) Siguil Mini-Hydropower Plant. The project was constructed as part of Alsons Power and the local government's commitment to reduce greenhouse gas emissions by replacing grid electricity with renewable energy.

The plant generates power using water resources from the Siguil River basin through a run-ofriver electric system. The newly constructed hydropower plant will be commissioned soon under the management of the Alsons Power Group and Siguil Hydro Power Corporation.

It will supply electricity to several cities and municipalities across Mindanao, including the service areas of South Cotabato II Electric Cooperative, Inc. (SOCOTECO II).

Also present at the inauguration ceremony were key officials of the power companies involved as well as ERC Commissioner Alexis Lumbatan, NEA Deputy Administrator for Technical Services Engr. Ernesto Silvano, Jr and IDD Department Manager Atty. Alexander Paul Rivera.



News Around the ECs

Admin Meets with ECs from Western Visayas, select Luzon and Mindanao provinces

NEA Administrator Antonio Mariano Almeda met with the general managers (GM) of electric cooperatives (ECs) in Western Visayas and other Luzon and Mindanao provinces at Marriott Hotel in Iloilo City to continue their recent discussions on various operational concerns.

Among the issues raised were the EC Retirement Fund, proposed sale and resale of embedded power generation assets, the status of their supervisory control and data acquisition (SCADA) and geographic information systems (GIS), and the implementation of the enhanced integrated computerized planning model (eICPM), among others.







PHILFECO 17th AGMA

NEA Administrator Antonio Mariano Almeda attended the 17th Annual General Assembly of the Philippine Federation of Electric Cooperatives (PHILFECO) on 12 April 2024 at Hennan Resort, Panglao, Bohol.





In his message, Administrator Almeda expressed his gratitude to the board members and officers of PHILFECO for their strong alliance of Electric Cooperatives (ECs) registered with the Cooperative Development Authority (CDA). He also praised the CDA-membered ECs for maximizing their role for the benefit of their member-consumer-owners (MCOs). "Admin will always take care of the ECs whether the EC is a CDA member or NEA registered," he said.

The DOST shall carry out its responsibilities under the MOU primarily through its CARAGA and Advanced Science and Technology Institute (ASTI) Offices. They are expected to provide the necessary technical consultancies and collaborative assistance to develop the intended SCADA Software.

Serving as points of contacts for the parties are Fajilagutan for AIEC, DOST-ASTI Director Franz De Leon, DOST-Caraga Regional Director Noel Ajoc, and NEA Project Director for DDCC Rod Padua.

ADMIN ATTENDS THE 2024 NAGMEC AGMA

NEA Administrator Antonio Mariano Almeda attended the 2024 National Association of General Managers of Electric Cooperatives, Inc. (NAGMEC) Convention and 27th Annual General Membership Meeting on 27-28 June 2024 at Bai Hotel Cebu, Mandaue City.

Addressing the general managers (GMs) of various electric cooperatives (ECs) present, Administrator Almeda talked about transparency, accountability, performance level, and efficiency as four key pillars essential for success and to help enhance quality service to the industry and its stakeholders.

He urged EC officials to uphold a culture of honesty and accountability in their respective organizations. Employees and member-consumer-owners must be well-informed and involved on important decisions and operational developments.

"Accountability ensures that we are answerable to our stakeholders for the performance and conduct of our cooperatives," Administrator Almeda stated. "Everyone must accept responsibility for their actions and decisions."

The NEA chief encouraged the GMs to set high performance levels by enforcing regular assessments, system upgrades, and investments in cutting-edge technology. Constant training of personnel is likewise crucial to keep up with the pace of the modern and global standards.

Lastly, Administrator Almeda emphasized the value of efficiency. To be efficient, everyone should maximize available resources and minimize waste. "It is about optimizing our operations to deliver the best possible service at the lowest possible cost," he added.



Employees Corner

PROMOTION / HIRING

Congratulations to the following NEA employees — comprising 10 promotions, 4 new hires, and 1 transferred:

HIRED

ECHIVERRI-VILLANUEVA, SHEILA F.

Division Manager A Information Technology and Communication Services Department (ITCSD)

MALAKI, CHRISTEN JOY L.

Accounts Management Analyst I Accounts Management and Guarantee Department (AMGD)

OMAR, JEZAM B.

Electric Cooperative Development Officer A Electric Cooperative Audit Department

VERUTIAO, ABIGAIL E.

Senior Internal Control Officer A Internal Audit and Quality Standards Management Office (IAOSMO)

TRANSFERRED

JAVILLO, CARL XERXES D.

Principal Engineer A
Office of the Deputy Administrator for
Field Operations (ODAFO)

PROMOTED

DEVILLES, NAIDA A.

Supervising Internal Control Officer Internal Audit and Quality Standards Management Office (IAQSMO)

GUETA, PATRICIA ANN C.

Senior Researcher-Analyst A Corporate Planning Office (CPO)

MAMA, SITTIE AINAH M.

Senior Internal Control Officer B Internal Audit and Quality Standards Management Office (IAQSMO)

MERZA, BRYAN C.

Attorney IV Office of the Deputy Administrator for Legal Services (ODALS)

MESINA. ELOISA LYNNE D.

Senior Internal Control Officer B Internal Audit and Quality Standards Management Office (IAQSMO)

PANADO, JAMES B.

Principal Engineer A Management and Consultancy Services Office (MCSO)

PAYURAN, ROUCHELLE IANE M.

Division Manager A Accounts Management and Guarantee Department (AMGD)

RAGUDO, LOUISE DOMINIQUE L.

Electric Cooperative Development Officer A Institutional Development Department (IDD)

RIVERA, THERESITA A.

Division Manager A Finance Services Department (FSD)

TALION, MARICAR E.

Accounts Management Specialist Accounts Management and Guarantee Department (AMGD)

NEA PRESENTS AT THE 2024 PEPIF





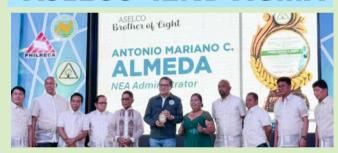
NEA Administrator Antonio Mariano Almeda presented his action plans towards achieving 100 percent rural electrification through renewable energy at the 2024 Philippine Electric Power Industry Forum (PEPIF) held at the Iloilo Convention Center in Iloilo City.

Administrator Almeda served as one of the resource speakers during the morning sessions of the conference. He presented NEA's threepronged approach which the Agency is currently implementing to fully energize all of the unserved and underserved households by 2028.

The strategy involves the accomplishment of state-funded projects under the Sitio Electrification Program (SEP), Barangay Line Enhancement Program (BLEP), and Photovoltaic Mainstreaming/Solar Home Systems (PVM/SHS) program.

"I am confident that the discussion today will lead to effective action plans that will benefit the Filipino people. I am also certain that this forum will motivate us to enhance the partnerships among those in the electric power industry," Administrator Almeda said during his presentation.

ASELCO 42ND AGMA



"Your administrator shall persist in reaching out to the appropriate authorities to make them realize that we need to work together in providing electricity to every corner and community across the Philippines," the NEA chief said in Tagalog, noting the agency's rural electrification initiatives.

Administrator Almeda also guaranteed ASELCO 1,000 units of photovoltaic mainstreaming (PVM) or solar home system (SHS) for the indigenous peoples in the far-flung communities within its coverage area. Administrator Almeda also swore in the re-elected board directors of the power cooperative.

