



THE BENECO JOURNAL



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Brace up for 2024

Power supply, franchise renewal top BENECO's agenda



GM Melchor Licoben

With Melchor Licoben now officially at the helm as general manager, the Benguet Electric Cooperative (BENECO) is now bracing itself to hurdle the power industry's challenges for 2024 as the electric cooperative is all set to up the ante of its institutional, financial, technical and audit parameters to avoid courting any regulatory risk.

The electric cooperative's shopping list though is topped by the bid to renew its franchise and the procurement of a power supply, the latter pinning on a thin time as its current power supply agreement is set to expire on March, 2024.

BENECO will also have to refurbish itself on the protocols of trading electricity in the spot market as it recently applied anew as a direct member of the Wholesale Electricity Spot Market (WESM).

The electric cooperative will also have to keep its technical systems running good as it was tapped by the National Electrification Administration (NEA) to spearhead NEA's pilot project for a national dashboard that will provide a centralized access into the operations of ECs nationwide.

The shift from a non-stock entity to a stock electric cooperative could also pose regulatory adjustments to the EC following the approval by the Cooperative Development Authority (CDA) of its amended articles of cooperation and by laws.

Add the presence of conflicting provisions on the regulatory limits of both NEA and CDA over CDA registered ECs and the electric

cooperative will still need a lot of elbow room for adjustment.

The EC though continues to encourage the member consumer owners (MCOs) to complete their minimum share capital of P2,000.00 to shore up at least the 25% paid up capital of the subscribed capital stock to be able to hurdle CDA requirements on equity contribution. As of December, 2023, the EC now has in its coffers a total of P32 million in paid up capital which the EC envisions to fuel turbines for renewable energy.

The NEA confirmed Licoben's appointment as a GM by the BENECO Task Force in November, 2023, putting a closure to the leadership crisis that rocked BENECO for almost three years.

The crisis also led to the freezing BENECO's bank accounts and the filing of various administrative, civil and criminal cases, creating a divide between BENECO and NEA.

But Licoben dismissed his appointment as the all time solution to BENECO's troubles. "My appointment is just the beginning. We have to be ready for the challenges that will come our way as we go ahead," he told employees in a recent gathering.

Licoben rattled off the EC's intention to increase its stab at renewable energy to enhance its green portfolio even as the cooperative continues to exert effort to secure its certificate of compliance for the commercial run of its maiden renewable project in Buguias, Benguet – a 3MW mini hydro power plant facility.

Right off the bat, Licoben also raised some alarm on the fate of some electric cooperatives whose franchise areas are threatened by corporatization. He took note of the pronouncements of national government leaders assailing the *Power supply... page 2*

NEA urges electric coops to bid for natural gas

By DELMAR O. CARIÑO

The Benguet Electric Cooperative (BENECO) may yet find itself in a company of 15 electric cooperatives bidding for natural gas as the source of its power supply come the second quarter of the year 2024.

BENECO's power supply agreement with Team Energy will expire by March, 2024 and the electric cooperative (EC) is pressed for time to secure a new power supply contract following the failure of its Competitive Selection Process (CSP) to offer a 73 megawatt capacity from 2024 to 2028.

BENECO attempted to hold a second round of bidding but while waiting for the National Electrification Administration (NEA)

to issue a new notice to proceed, the Department of Energy (DOE) came out with a circular that called for the procurement of natural gas as a power supply for ECs whose supply contracts are due to expire in the next two years.

Under DOE D.O. No. D02023-10-0022 dated Oct. 10, 2023, the energy department tasked the National Electrification Administration (NEA) to aggregate the demands of ECs with expiring contracts and hold the CSP. The NEA was directed to prepare the terms of reference (TOR) for the bidding.

The NEA and DOE explained before the ECs last December 13, 2023 the rationale of the DOE *NEA urges... page 8*

We are not puppets-Task Force BENECO

The Task Force that assumed the functions of the board of directors said that it will be leaving the electric cooperative back to its normal condition with a categorical denial that it was a never a stamp pad of the National Electrification Administration (NEA).

In fact, "we are leaving the electric cooperative in good hands," said Steve Cating, in his yearend assessment given to the BENECO Journal.

The Task Force came in on January 11, 2023 following the dismissal of the Board of Directors at that time by the National Electrification Administration (NEA) due to administrative offenses. *Task Force... page 2*



TASK FORCE. They meet twice a month to discuss crucial BENECO issues. Atty George Dumawing, Geronimo Depalog, Dr. Elma Donaal and Chairperson Steve Cating. Not in photo is Rodolfo de Guia.

Nationwide digital dashboard for coops NEA taps BENECO and CEBECO III for launch of pilot command center

The Benguet Electric Cooperative (BENECO) will usher the new year as one of the two electric cooperatives (EC) in the country that will pilot the National Electrification Administration's (NEA) Digital Dashboard Command Center (DDCC) that seeks to provide NEA with on ground data based on real time.

BENECO and the Cebu III Electric Cooperative, Inc. (CEBECO III) were particularly chosen by NEA due to having the most reputable Supervisory Control and Data Acquisition (SCADA) systems among the ECs.

The digital dashboard will be launched by January, 2024 and if all systems will go well with BENECO

and CEBECO III, the NEA will roll out the project for 60 ECs more for the rest of 2024. The NEA will visit BENECO on January 11 to iron out any kink on the systems to be used for the hook up.

In a briefing on December 28, 2023, the NEA and One Document Inc., the project's private partner, said the DDCC was designed to assist NEA in making decisions that are timely and data driven. The dashboard can also be used by the state agency to determine the technical performance of the ECs by accessing the data stored in their SCADA systems.

Mel Locsin of One Document Inc. said that the pilot DDCC-SCADA interface involves four parameters – the readiness of raw

and processed reliability indices, the reliability of the indices at the EC level and their transmittal to the dashboard on real time, adherence to the NEA – EC minimum SCADA data recording and computing standards, and the EC's conformity to the SCADA software system interface configurations.

Roderick Padua, NEA's corporate planning office department manager, said that if the SCADA systems of the ECs are complete, there will be no worry for a huge capital outlay to formalize the connection with NEA.

He said that Antonio Mariano Almeda, NEA administrator, wants the project to be launched the soonest. *NEA taps... page 9*

The employee who almost burned down BENECO

By LAARNI SIBAYAN-ILAGAN

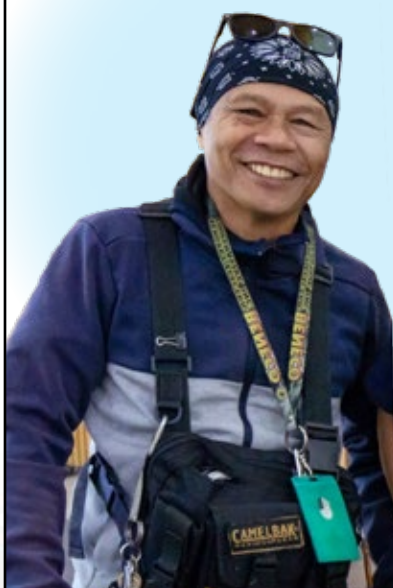
Now 60 years of age, Carlito Delinila still just can't shake off the story he got involved with when he was still a new employee many, many

years ago. He recalled such story or experience during the occasion of BENECO's celebration of its 50th anniversary in October when he was recognized as one of the service awardees.

Oh man, he did work for BENECO for more than 35 years already. But he was the employee who almost burned to ashes BENECO.

BENECO's office was still at the Benitez Compound along Magsaysay Avenue, Baguio City. Peter Cosalan, who was the GM at that time, hired Lito as a probationary employee for building maintenance. Lito was then in his early twenties.

Delinila, or more popularly known as Lito, was then cleaning the floor but he found it difficult to get the floor wax into his mop. The wax was too solid that it could not be absorbed by the mop. He saw



Lito Delinila

The employee... page 8



Antonio Mariano Almada

Never again, not under my watch

“What happened in BENECO will never happen again under my watch, not with BENECO and not with the other 121 ECs,” NEA Administrator Antonio Mariano Almada assured BENECO employees.

BAGUIO CITY, The National Electrification Administration (NEA) Administrator Antonio Mariano Almada assured the Benguet Electric Cooperative (BENECO) employees that the nightmare of October 18, 2023 will not be repeated in BENECO and in the other 121 electric cooperatives (ECs).

Almada was one of the inspirational speakers during the 50th BENECO founding anniversary last October 6, 2023 held at the Dumol Hall BENECO headquarters in South Drive, Baguio City. Almada is the current Project Supervisor of BENECO while the general manager (GM) selection process is ongoing.

He also promised, “I will try

my best to appoint, for the Board of Directors (BOD), your general manager within the year if not within the month,” National Electrification Administration (NEA) and BENECO Project Supervisor Antonio Mariano Almada assured BENECO employees during their 50th Founding Anniversary and employees awarding program last October 6, 2023.

“The Admin’s (Almada) pronouncements are very welcome developments not just for us employees and member-consumers of BENECO, but most importantly for all the ECs in the country. We would not wish for our sister co-ops to also experience the nightmare and the subsequent hardships that we all went thru in October 2021 in BENECO,” BENECO Labor Union (BELU) president Jefferd Monang emotionally recalled.

“Regarding the GM selection,

it is our prayer and hope that the clamor of the 243 employees who manifested their support for Engr. Melchor Licoben as our rightful GM be also recognized and given weight by the NEA and Admin Almada,” Monang added.

BENECO employees appealed to Almada last September 2023 to and attached their Manifesto of Support for Engr. Melchor Licoben GM to lead BENECO, in time to celebrate two milestones: BENECO’s golden anniversary and the appointment of Licoben as GM..

According to Almada, he needed to resolve first the cases of PSALM and TEAM Energy payables when he took over as Project supervisor and installed the five Interim Board Task force BENECO last January 11, 2023.

He further assured the employees that after the appointment of BENECO’S regular GM, I will just give the Task Force BENECO (Interim Board of Directors) and the Project Supervisor 60 days to normalise everything and we will now start to call the elections of the regular BOD.

Almada thanked the Task Force BENECO for staying the course “despite hurdles, challenges and sweeping accusations.”

“Huwag na natin pag-usapan ang nakaraan. Ibaon na natin sa limot yan,” Almada said. ***LSI

Power supply... from page 1

viability of ECs in energizing the countryside as they are heavily plagued with high power costs and irritating power interruptions.

He said that the employees must be wary of these developments so that the EC can maintain its existence.

But the EC must hurdle first two measures with urgency since a backfire could spell doom for the electric cooperative -- the renewal of BENECO’S franchise and the procurement of a power supply contract that will ensure the continuous supply of electricity to BENECO in a price that may not be the cheapest but the most competitive.

The Committee on Franchise of the House of Representative already approved House Bills Nos. 6145 and 9402 that sought the renewal of BENECO’S franchise which is due to expire in 2028. Rep. Mark Go of Baguio City and Rep. Eric Yap of Benguet filed the measures, respectively.

The bills may obtain a safe passage in the plenary session of the Lower House but the next stop, which is the Senate, could offer humps as some legislators of the Upper House have openly pilloried ECs that fail to address rampant power interruptions.

Following a failed aggregation with seven other ECs, BENECO decided to go solo and laid for bidding a short term four year contract for the supply of its 73 megawatt (MW)

Task Force... from page 1

From there, the Task Force -- composed of Dr. Elma Donaal (academe), Dr. Rodolfo de Guia (religious sector), Joaquin Geronimo Depalog (farmers sector), and lawyer George Dumawing Jr. (professional sector) -- took the helm of an oversight board and policy making body by enacting resolutions that dwelt on financial, institutional and technical measures and directions.

As of December 31, 2023, the Task Force passed 277 resolutions.

The tasks though did come in handy as the five man team drew mixed reactions from camps who viewed their appointments from different perspectives.

The worst that they were accused of was that of acting as puppets of the NEA owing to some of their actions which certain sectors claimed as simply bowing to the wishes of NEA, or in particular, NEA Administrator Antonio Mariano Almada.

Almada was appointed by the Department of Energy as the cooperative’s project supervisor (PS). As the PS, Almada sits during the meetings of the Task Force and must also approve every resolution passed by the Task Force.

The NEA rules allow the designation of a project supervisor for ECs that are ailing or that are in dire situations and needing to be attended too with urgency.

Almada led a NEA Team that came in blitzkrieg to the cooperative on January 11, 2023, fired the eleven elected directors and erstwhile NEA appointed GM Atty. Ana Maria Rafael and installed the Task Force.

“The situation then was very volatile. The NEA and BENECO employees were adverse to each other and that BENECO’S bank deposits have been frozen. I believe the NEA has to come in to restore order,” Almada then said.

Aware of the flak that the Task Force have received, the members remained unperturbed and continued to learn the ropes of the power industry in a bid to reply with the most practical and sensible policy solutions.

“We followed the rule of law and we performed the tasks placed on our shoulders the best we can,” said Dumawing.

“We were never a puppet,” he

emphasized.

Those wrongly accusing us did not understand the difficult position the cooperative was suffering from at that time or that their criticisms were thrown with vested interest, he said.

Cating said that “we were not bothered at all that some were criticizing us as not being elected since we are member consumers ourselves whose help were sought to help the cooperative regain its stature and reputation.”

The NEA order that installed the five man members of the Task Force commanded them to accomplish a two fold task -- select the general manager and later call for the election of the board of directors.

The Task Force appointed Melchor Licoben as the general manager in November 7, 2023 which the NEA immediately confirmed.

Now, there are those who are asking when the second task will be called -- the election for the regular board of directors.

In one of the meetings of the Task Force in November, there must be a two month transition period from the confirmation of Licoben as GM by the NEA, before the elections will be held.

As of this writing, there is yet no official written communication from NEA as to the schedule of the election.

“We are happy to see that BENECO is in a much better place now,” Cating said. “Aside from the selection of a new GM, the electric cooperative is now doing well in terms of its finances and growth of revenue.”

“The cooperative now has all the tools for stability and growth,” he said.

Cating said that the tools are stable management after NEA confirmed the task force’s selection and appointment of Licoben, good financial position through a stable balance sheet and cash flow, efficient operations being ran by a professional staff and workforce and the strong support of local government units and other stakeholders.

He also mentioned that what should not be ignored is the fact that the relations between NEA and BENECO is already back to normal and this time, it is even stronger.

when the Department of Energy (DOE) issued a circular asking all EC with expiring power supply contracts in the next two years to bid for natural gas. The NEA was directed to prepare the terms reference for the bidding.

Increasing cases of electrocution alarm BENECO

By LAARNI SIBAYAN-ILAGAN

The Benguet Electric Cooperative (BENECO) is going sleepless over the increase by ninety percent (90) of electrocution incidents from 2018 to 2023.

The 10 incidents in 2018 and nine in 2019 almost doubled in 2020, 2021 and 2023 at 17 electrocution incidents. The highest number was 19 in 2022.

More than 67% of incidents monitored by the cooperative happened on houses undergoing construction, according to Roy Olativ, a construction and maintenance office (CMO) supervisor in his latest report addressed to Melchor Licoben, general manager.

Out of the 103 reported incidents for the five year period, 52 happened in houses under construction. The report said the number of incidents were highest in Baguio City and La Trinidad.

Olativ theorized that the dense population in Baguio City and La Trinidad could have contributed to the repeated incidents of electrocution as both areas have clustered houses and narrow road right of way clearances.

“When in doubt of the clearances in your construction, please exercise prudence and consider safety first—call our office,” Olativ appealed to the public.

Amelyn Timpac, also a CMO supervisor, said that the incidents happened not because the victims got in contact with the live wires. “A look into the reported incidents of electrocution showed that they were caused not by the direct contact of the victims with our power lines. The victims were holding conductive materials like metal/steel bars that got in touch with our live wires,” she said.

“In fact, most of the victims were construction workers. The materials they carry or transport at work got in contact with the electric cables, she said.

Interestingly, majority of the construction sites where the incidents occurred were residential house constructions, not big construction sites, Timpac added.

“Big construction sites have their own safety officers that closely monitor their project, unlike residential constructions that have no safety officers to oversee and check the clearances from our primary and secondary lines,” Percival Aspillan, also an engineer, said.

In a radio interview, Aspillan proposed that small construction workers or even house construction owners should make it a point to have a watcher or spotter when working to warn them if any steel bar or any material they are carrying are dangerously close or near the power lines.

The CMO supervisors said that an assistance from the building officials of local government units can help minimize or eliminate the unwanted electrocution incidents. They can strictly monitor ongoing construction sites to avert any untoward incidents, they said.

BENECO field personnel (linemen, meter readers and field engineers) have always been reminded to intensify their monitoring and advising of the representatives of construction sites with power lines close to their work sites as a precautionary measure.

The best effort is to tell them to stay away from the power lines and avoid electrocution.

BENECO has the right to issue a cease and desist notice to construction workers whenever they would see that safety measures are being ignored or that the work site are just too dangerous. Meter readers are also directed to immediately report to the technical department sites or areas prone to electrocution so

Increasing cases... page 9

power requirement. However, no generation company submitted a bid put, forcing the EC to secure another approval from NEA for a second bidding.

The effort though was mooted

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ELECTROCUTION INCIDENTS

DEATH or INJURY can occur when in contact with electric power lines.

BENECO has again recorded cases of electrocution incidents involving individual or group working near electric power lines. Based on our records, electrocution happened mostly but not limited to the following:

1. On construction sites when a metal or other conductive material, a construction worker was holding got in contact with the electric power lines.
2. Other public utility or their outsourced personnel laying-out their telecommunication/cable lines and/or installing metal poles or other conductive materials under or near the electric power lines
3. Transporting machineries or equipment with high vertical reach and got in contact with telecommunication/cable lines and/or electric lines and when a person tried to free the lines for the vehicle to pass.
4. Other activities near power lines involving a moving equipment or any conductive materials that have touched the power lines

We wish to advise the public to always contact and coordinate with BENECO for assistance when working near the power lines to ensure safety. **ALWAYS CONSIDER POWER LINES ENERGIZED.**

We can be reached at the following 24/7 hotline numbers:
Telephone number : (074) 637- 4400
Cell phone numbers : Smart – 09088657202
Globe – 09175921698

Thank you very much.

CONSUMER ADVISORY

BENECO @ 50



Energizations

Incorporation and Inauguration

First BOD President Jack Dulnuan

First General Manager Teodorico Sanchez



Bokod



Sablan

1973

US National Electric Cooperative Association (NECA) Training

First Linemen Training



1983



1993



2003



2013



2023



"Quality Service is Our Way of Life!"



EDITORIAL

Franchise renewal

BENECO's bid to renew its franchise was approved alright by the Committee on Franchise of the House of Representatives and barring any unforeseen circumstances, the plenary session's nod over House Bills Nos. 9165 and 9402 is expected to be a matter of course.

The challenge though to be hurdled now is the fate of the two measures filed by Rep. Mark Go (Baguio City) and Rep. Eric Yap (Benguet), respectively, before the Senate. What unsettles us are the pronouncements of some senators favoring or tending to favor the privatization of electric cooperatives particularly those that are in distress. This concern will loom large as a problem if the infusion of private capital becomes a policy direction not only of Congress but the executive department as well.

The Philippine Rural Electric Cooperatives Association (PHILRECA) has been adamant in its bid to oppose the privatization of electric cooperatives, saying that the ECs have been successful, through the years, in energizing the countryside. The association had been vocal in accusing private capital, or oligarchs, in spreading the misinformation that ECs are underperforming and therefore they must be abolished or be taken over by private investor owned utilities. The National Electrification (NEA), meanwhile, has assured the government that it is doing all its efforts to reinvigorate the ECs through its regulatory and supervisory powers enumerated under PD 269.

Call it an unlucky draw. But this is the context and timing that BENECO's efforts to renew its franchise found itself in. Our electric cooperative might be banded or treated in lump sum with all the other ECs the Senate has heard and investigated to be technically and financially wanting what with all those recurring power interruptions irking our lawmakers.

The plea is for the Senate to treat ECs separately once their franchise bills are up for hearing. Should there be valid issues raised by member consumers, then the same must be probed and the EC concerned must be given its due process. Should the rant come from public officials themselves, then the issued raised must all the more be scrutinized thoroughly.

BENECO deserves an exclusion from what appears to be a blanket indictment of the dismal performance of ECs. BENECO's record speaks for itself – it is technically efficient and a well managed distribution utility. Of course, the EC has its lows but they are not enough reasons for the EC to fold up. The fact that the member consumers have signed a declaration of support for BENECO's franchise renewal and that every LGU has passed a resolution calling for the renewal of the EC's franchise are matters that should not be overlooked or ignored in this prevailing atmosphere that ECs must undergo corporatization.

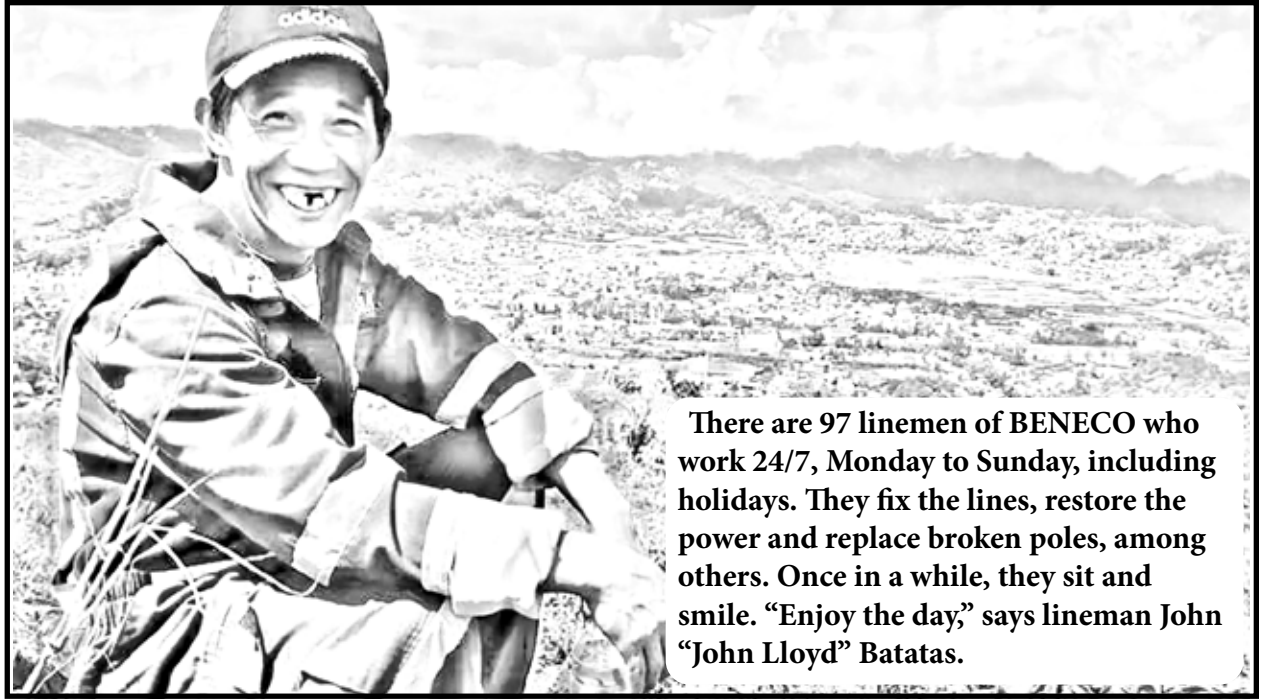
Unfortunately, one columnist wrote that many of the sad stories about ECs are true. He echoed what may be the prevailing sentiment of the Senate – that there is complete lack of transparency in their operations of ECs and that local politicians and powerful individuals in the provinces and municipalities control these ECs while the customers continue to suffer from high electricity rates and poor quality of service.

True. The issues that continue to hound ECs are their poor quality service and high retail rates. There is reason to raise hell if indeed these two concerns have become habitual and salvaging them for a turnaround are far from possible.

But not all ECs are in the same boat. Thus, the treatment should be EC per EC with an exhaustive review of its key performance standards in the last ten years. There may be shortcomings along the way but given the business of electric distribution that is highly regulated, technically demanding and financially taxing, imperfections are normal.

Not in BENECO though. Despite the leadership crisis that catapulted BENECO into the national papers, its technical efficiency has remained top gun and its rates have remained competitive. We do believe we have given justice to what we were created for in 1978. Fifty years later, the passion has remained and our commitment unblemished.

Let's hope for the best.



There are 97 linemen of BENECO who work 24/7, Monday to Sunday, including holidays. They fix the lines, restore the power and replace broken poles, among others. Once in a while, they sit and smile. "Enjoy the day," says lineman John "John Lloyd" Batatas.

WORKPLACE CHRONICLES

By AILENE I. ALAFAG



What drives you?

It's a well-worn adage that the most valuable asset of any organization is its human resources. While this statement might have become a bit of a cliché due to its frequent repetition, its fundamental truth remains unchallenged. Every prudent business owner or top manager recognizes the vital importance of ensuring that their most valuable asset, their employees, are performing at their peak.

The question is- How can we ensure that employees are performing optimally? While there are multiple answers to this question, one key factor is clear: most employees require motivation to excel in their roles and find fulfillment in their work. It would be ideal if higher compensation alone guaranteed high levels of motivation, but extensive research shows that money is not the sole driver of employee motivation.

Motivating individuals is not an exact science; it lacks a one-size-fits-all formula. Motivation is as diverse as the people within an organization. Each person's response to the same stimulus can differ significantly, underscoring the complexity of human behavior.

The renowned psychologist Abraham Maslow introduced a theory proposing that human beings are driven by five fundamental needs, organized in a hierarchical manner. According to Maslow, individuals must first satisfy their lower-level needs before pursuing those at higher levels. This concept can be applied to the workplace, as follows:

Levels of needs

1. Biological and physiological needs (basic life needs-air, food, warmth, shelter)
2. Safety needs (protection, security, order, law, limits, stability)
3. Belongingness and love needs (family, affection, relationship, work groups)
4. Esteem needs (achievement, status, responsibility, reputation)
5. Self-actualization (personal growth and fulfillment)

Translated into the organization

1. Salary and stable employment to sustain basic life needs
2. Stable physical and emotional environment issues such as

employment, pension, safe work environment and fair work practices)

3. Social acceptance issues such as friendship or cooperation on the job
4. Positive self-image and respect and recognition issues such as job titles and prestigious job assignments
5. Achievement such as workplace autonomy, challenging work and subject matter expert status on the job

Applying Maslow's theory to the workplace, we can understand that an employee whose lower-level needs are unmet will primarily focus on compensation, safety, and stability. Even those whose lower-level needs are satisfied may regress if they sense a threat to these needs, such as during times of reorganization or other organizational changes. This places a significant responsibility on management to handle difficult decisions as humanely as possible, as these can threaten the remaining employees. An employee with unmet lower-level needs is unlikely to be motivated by recognition or personal development.

Safety and belongingness needs can be met through interpersonal interactions, relationships, and open communication. Employees who are "kept in the dark" about organizational matters often feel like outsiders.

Esteem needs are closely linked to an employee's self-image and their desire for respect and recognition. Allowing employees to participate in special projects, decision-making, and other roles can boost their self-esteem.

Self-actualization needs are met through personal growth and development. The desire to excel and become highly skilled in their role is a crucial aspect.

Maslow's fundamental idea is that needs evolve over time. When one need is met, individuals naturally seek to fulfill other needs. What motivated someone three years ago may not be as effective today. This underscores the dynamic nature of human needs, requiring management to adapt to these evolving employee needs.



COUNTERPOINT

LAARNI SIBAYAN-ILAGAN

Fighting for my cooperative

GERARDO P. VERZOSA BLDG. As I write this column-assignment from my boss and former community journalist colleague in my "other" life Atty. Delmar O. Cariño, Christmas is just around the corner so-to-speak. As Rob Thomas sings about spending Christmas In a Small Town, I am struggling what to "name" my column. And what to write about.

Aided with a hefty dose of the golden herbal drink gift from the boss, my former editor from up there whispered, why not use my "counterpoint?" That was when ankol Rob started singing to me his New York City Christmas. Hey, we live in a small city called Baguio and about to celebrate our savior's birth come December 25.

Christmas is not just a time for merry-making, reunions, getting soused and vacations. It is also a time to reflect on the events of the past.

To me my past has inevitably intertwined with the recent history of our very own electric cooperative. Like my co-employees, I have spent more time in BENECO than at home with family-- accomplishing my duties and responsibilities behind the scenes in living up to our coop's motto "quality service is our way of life."

Unless one has been living with one's head under the sand for the past 2-3 years, we would have watched, read, or even from the not so-subtle loud whispers from our social media "maritesses" the struggles faced by BENECO and its employees.

AFTER THE BATTLE FOR BENECO. After three years of anxieties, uncertainties, red-tagging, surveillance that brought us closer and unified us to face a "threat" from the outside, BENECO's employees finally breathed and let their guard down for a while and enjoyed building our Team BENECO in Bolinao.

It was not business as usual in BENECO though. Employees needed to reflect whether we belong to the two kinds of

people: a blessing or a lesson. A BENECO whose people are not threatened to say what they mean in a working environment. A BENECO team whose members pull each other up, not down. A BENECO team whose members can have crucial conversations that may dislike each other, but still can work together to achieve the co-op's goals of providing quality service to its MCOs in a psychologically safe environment. An environment where people can grow and be more productive and will not be defined by their net worth. Employees internalized communication, connection, commitment, collaboration and complementing each other's weaknesses and strengths.

A BENECO Team whose community engagements going to the farthest sitios still feel fulfillment and inspiration seeing the recipients' happiness when BENECO brings power to the youngest students to the oldest in the farthest sitios of Benguet.

All we do are crucial for BENECO's continuing survival. BENECO WINS AS THE EMPLOYEES GET BETTER!

One quote that stuck with everyone was "The illiterates of the 21st century are those who refuse to learn, unlearn and relearn." Amidst complexity, clarity is the leader's best friend.

Engr. Aera and May aptly said, work may be draining but we still find excitement in all we do. Employees are but human (Tao lang) we have down times, but the rest of the team are there to take up the slack to still give our exemplary performance.

"Admittedly, each one of us is replaceable, but each one of us are assets for BENECO, because we believe that we perform in a way that it will be difficult to replace us," Atty. Mylene, a new kid on the block called BENECO, said and admitted that she is enjoying her work and comes to work excited every day.

As for me, I even get to do what I love – writing about BENECO's good news and there are a lot! I am looking forward to the best that has yet to come. Merry Christmas and the start of the best 50 new years for our BENECO!



BENECO JOURNAL

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General Manager

POWER TRENDS

By CHRISTOPHERE J. GONZALES



V.U.C.A

This is not a misspelled “buka (open)” but an acronym that stands for volatility, uncertainty, complexity (chaotic for pastor Sohl) and ambiguity.

The acronym was presented by one of the BENECO interim board, reverend pastor Rodolfo “Sohl” de Guia during a battery of team building seminar for BENECO. It was presented on the premise that VUCA exists and will always be a challenge to the theme of this year’s team -- “together we are stronger.”

In 1987, the acronym VUCA was first used in the US School of Army and now it is widely used in management and leadership disciplines even to the personal motivational sphere.

VOLATILITY. We usually hear volatility in prices. Prices of commodity, market, and stocks. Prices of oil and energy are the most common.

Volatility is characterized by swift, rapid ebbs and flows of prices that are so significant that they could collapsed industries or make consumers wary on how to financially cope with or be disconnected from public services. What if a major wave in coal prices will push its global market price to \$500 to \$600 per metric ton? Is the energy sector ready to absorb its impact? Can the government subsidize power bill to residential consumers on a determined consumption threshold so that it would soften the blow?

What if BENECO, despite its efforts, could not close a competitive power deal and eventually would turn to emergency power supply agreement for one year with a price of eight pesos, are we ready to pay for higher electricity bill? We cannot stockpile electricity. Energy price is dictated by forces beyond the cooperative’s control. Cost of energy is determined by the interplay of availability of supply, forecasted demand, timing and the wits of people in the negotiating table.

On a personal level, how are we going to prepare, brace ourselves when the cheap price of electricity we are enjoying right now will suddenly rise and become a monthly financial burden. We are not certain.

UNCERTAINTY. Fact based truth on what is happening is basically linked by causality. Consequence B is a product of what happened in event A. If all information exists, the result is a given. What will happen if we lack information? Even the simplest, single

crucial information for decision making creates uncertainty.

When uncertain, managers get information from team. When uncertain, system analysts build information. When uncertain, historians retrace history. When uncertain, presidents convene the experts. When uncertain, intelligentsias buy information. When there is uncertainty, we need to build, invest and gather information.

COMPLEXITY. “BENECO might be okay now, inside. But outside, it might be chaotic, when we talk about the power industry.” De Guia said. The structural systems, with the interplay of local and national politics, business interest and regulators muddle how we understand the energy sector. It is too complex that sometimes or most often than not, the ordinary people are overwhelmed to know, learn, and understand it.

Experts sometimes are brought in to explain, dissect and deduce concepts for easier understanding. Then just a like a jigsaw puzzle, the whole picture will be visible after each tiny piece has been explained.

AMBIGUITY. When things never happened before and there were no precedents, you are facing an ambiguous event. When a state regulator gives a memorandum to guide corporations in choosing and appointing a general manager, bullet-by-bullet and point-by-point, one expects that to be the rule. But if the state regulator suddenly breaks its own memorandum and pre-selects a general manager for appointment, this not only creates uncertainties but also ambiguities. In extent, chaos.

Maybe the state regulator toyed with the idea and experimented if it could challenge the given right to cooperatives and corporations in exercising the right to choose under the guiding principles of autonomy and democracy. However, it did not materialize. Once the democratic process is trampled upon, people will join hands with raised fists and resist.

To face the challenge of ambiguity, one could establish causation through experiments and testing. If a manager wants to know the potential and effectiveness of the members of a team, he/she could always create a composite team, new office, merge talents and test performance. With a VUCA (open) mind, we can always face the challenges headon and chin up.



MUNDANE THOUGHTS

By DANE T. DUCAYAG

Owned by those we serve

People empowerment is a concept that has gained significant and unprecedented attention in recent years.

It refers to the process of enabling individuals to take control of their own lives -- if not their destiny -- and make informed decisions on issues that affect them. It is thus considered as a vital ingredient for progress and development of any society. It is as well crucial for personal growth, social cohesion, and democratic governance.

The most critical step in community organizing is to inform and educate people on socio-political, economic, and environmental issues and encourage their active participation in community development.

Once people are aware of their issues and feel connected with their community, they will show their interest in the community development process -- such as sharing stories, analyzing problems, developing actions, receiving training, connecting with resources that help themselves and community members, and actively participate in a more meaningful and intelligent decision-making process.

One aspect of people empowerment lies in the empowerment of electric consumers of electric cooperatives like the Benguet Electric Cooperative or BENECO.

Electric cooperatives -- as community-owned and community-controlled entities -- have a unique opportunity to involve their consumers in decision-making processes.

The empowerment of electric cooperative consumers is now a crucial component of the energy landscape, enabling individuals to actively participate, advocate for their needs, and prevent corporate or forced takeovers by other entities.

During the hostile takeover of the BENECO in October 2021 by the National Electrification Administration (NEA), the feeding of information to the member-consumer-owners (MCOs) of the cooperative through social media addressed made it possible for the MCOs to react decisively and eject the NEA employees and their local collaborators from the BENECO headquarters and regain control.

In the midst of the vigils that followed, empowered MCOs decided to organize themselves into what is now called the EC-MCO United with the aim of continuing to empower other MCOs through education and information on the issues regarding not only BENECO but the power industry as a whole.

The group composes of individuals who oppose injustices and other exploitative practices against electric cooperatives and advocate for the interests, concerns, and rights of consumers. EC-MCO United was also organized as an independent organization so that the MCOs will have a legal or juridical identity to assist in resolving consumer issues.

EC-MCO United was formally registered with the Securities and Exchange Commission (SEC) in February 2022. Members and leaders have since then been active in joining the activities of the cooperative like ceremonial energization, Beneco sa Munisipyo, etcetera, to inform fellow MCOs on what is happening. They also help in informing participants on current issues as well as organizing IECs.

Disinformation and misinformation are pervasive issues in this so-called Digital Age. The rise of disinformation and misinformation pose significant challenges. Matters regarding BENECO is not exempt from this. With collective efforts, however, EC-MCO United members are combating this problem -- inciting everyone to navigate the digital landscape with accuracy and discernment.

The consequences of disinformation and misinformation can be far-reaching and profound. They undermine trust, sow discord, influence public perception, and impact democratic processes. The damage it could inflict to our collective psyche could be permanent or irreversible at times. It could distort our overall socio-economic and political perception that leads to haphazard decisions such as during electoral exercise.

Though with difficulty, the EC-MCO United tries its best to ensure the dissemination of reliable information.

On December 28, 2022, representatives of the EC-MCO United joined a BENECO team on a goodwill mission to NEA and met with newly installed Administrator Nani Almeda at the NEA office in Quezon City.

In continuing with its mission, the EC-MCO United manifested during a clarificatory hearing of the Energy Regulatory Commission or ERC on February 23 2023, its plan to file a petition for intervention on the motion for rate adjustment filed by BENECO’s power supplier Team Energy.

The petition was filed on March 10, 2023 with Atty. Jansen Taruc Nacar as legal counsel and furnished copies to the mayors of Baguio and all the municipalities

of Benguet in the hope that they would submit their own resolutions or letters of support.

This was filed on behalf of consumers within BENECO’s franchise area, in the hope that the ERC will allow the organization to express the sentiments of the consumers who will be most affected by any rate increase as a result of Team’s motion as well as to share with the ERC the possible impact of a rate increase.

On March 17, 2023, Atty. Nacar and EC-MCO United president Daniel Ducayag as the official representative, attended the second clarificatory hearing wherein Team Energy manifested its opposition to our petition. The ERC is yet to decide on the petition.

On March 6, 2023, yours truly joined the BENECO contingent in Congress to show support for House Bill No. 6145 seeking for the renewal of the fifty-year franchise of BENECO to operate as an electric distribution utility. The bill was filed by Baguio Congressman Mark Go on November 15, 2022.

BENECO’s franchise was granted on March 20, 1978 and will end on March 20, 2028.

The EC-MCO United statement of support for the House Bill 6145 was also released on the same date. A parallel resolution of support was submitted on April 2023.

Because there was an MCO clamor to conduct elections for a regular Board ever since NEA removed the BENECO Board of Directors and replaced them with five sectoral representatives to serve as an interim Board, the EC-MCO United also submitted a resolution requesting for the immediate conduct of an election since it will be the first move towards a genuine normalcy in the cooperative. A Board of Directors known and truly representative of the people.

This article on people empowerment in relation to electric cooperatives with the example of the EC-MCO United not only explores the advantage of being empowered MCOs. It emphasizes on the more consumer-centric approach of cooperatives as opposed to the profit-driven, stockholder-owned corporation.

Your voice matters only when your electric utility remains as a cooperative because it operates on the principle of member participation. It grants you -- the consumers -- a voice in the cooperative’s operations and decision-making processes.

As a member, you have the opportunity to partake in general meetings, deliberate and vote on crucial issues, and even hold leadership roles. This level of engagement empowers the MCOs by allowing them to directly influence policies, rates, and services.

THE RECLOSER

DELMAR O. CARIÑO



The P5.73 per kWh generation cost

There’s no word yet from the Energy Regulatory Commission (ERC) on the fate of the compromise agreement BENECO and Team Energy executed in August this year concerning the appropriate generation cost Team must bill BENECO from March, 2022 until March, 2024.

Remember that Team, our power supplier, filed a petition before the ERC to increase its rates, invoking provisions of the 2016 contract, called Letter of Agreement (LOA), that allowed Team to increase rates when the agreed thresholds of the price of coal in the global market are breached. The petition was filed after both parties reached a stalemate on the proper amount of escalation. Team said the LOA allows Team such option but BENECO insisted such move was contrary to the reasons why the LOA was signed. And not this time when consumers are still reeling from the adverse effects of the pandemic. Figures were floated by both comes in an attempt to break the impasse but they were scorned over. This compelled Team to seek regulatory approval of the rates it intended to bill the electric cooperative.

The move had BENECO’s blessings since its position gravitated to what the ERC will say as the regulatory body as it opposed the petition. Both parties though agreed that pending the resolution of the case, the generation rate be pegged at P5.73 per kilowatt (kWh) in the interim. The rates still stands today.

The original billing of Team from March, 2022 until March, 2024 stood at a whopping P2.1 billion. Either we win or lose the case. On the sides, an increase is inevitable. It’s just a matter of how much.

Things turned around though when no less than NEA Administrator Antonio Mariano Almeda encouraged BENECO and Team to negotiate anew. Thus, a new LOA was signed in August this year and submitted to ERC for approval in a bid to render as moot and academic the petition for rate increase earlier filed by Team. Under the said LOA, BENECO will pay an amount of more than P600 million pesos. The number still looks gargantuan but we expect the ERC to spread for a long period the collection thereof from our consumers.

However, based on the calculations of Olive Bete, our small but terrible engineer who is also our execute services and regulatory compliance officer, the P5.73 interim rate could further go down in view of the dwindling prices of coal.

We take this opportunity to thank the swashbuckling Sonny Malacca, Team vice president, for doing a job well done in explaining the logic of a compromise before his Japanese bosses.

Not all were happy though on the decision to submit anew a LOA for the terms of the compromise. Our Task Force drew flak from the former board of directors for submitting to NEA’s track to enter into a compromise since the position the former directors took during their term was to simply oppose Team’s petition for rate increase until the Supreme Court.

They were aghast that the Task Force took a dive, emphasizing that the LOA of compromise practically compromised the welfare of consumers against unlawful rate increases.

Why the compromise? It was a management and Task Force decision. We are not certain of how the ERC will rule on the petition filed by Team. The longer the ERC will decide will cost BENECO interest charges. A clean bill will help us renew our franchise. And by all means, the increase cannot be impugned.

As GM Melchor said, it is not actually an increase. It is a rate adjustment which all ECs in the country caught in a similar fold cannot avoid.

By actively participating, you can ensure that your energy requirements are met and the cooperative is aligned with your values and priorities.

Unlike the profit-driven energy corporations, electric cooperatives prioritize the interests of their members. They also act as advocates for consumer rights, striving to secure affordable rates, reliable service, and sustainable energy options.

By joining the cooperative movement, you become part of a unified voice that helps shape regulations and policies beneficial to the community. Through advocacy efforts, the MCOs are able to safeguard their rights and ensure transparency in the decision-making processes.

One of the major advantages of electric cooperatives is their ability to prevent corporate takeovers. Private electric corporations often prioritize profit over community well-being.

In contrast, electric cooperatives are locally-owned and operated -- enabling consumers to retain control. This local control acts as a safeguard against potential takeovers, ensuring that decisions are made in the best interests of the community rather than distant shareholders. As an MCO, you have the power to prevent your electricity provider from being absorbed by larger corporations and maintain a more localized, consumer-centric approach.

Electric cooperatives offer several advantages over traditional energy corporations, making them a preferred choice for many consumers:

Member Ownership: Electric cooperatives are owned and governed by their members -- as stated by BENECO’s motto “Owned by Those We Served”. This guarantees that decisions are made with the consumers’ best interests in mind.

Local Economic Support: As community-driven entities, electric cooperatives contribute to the local economy by investing in infrastructure, creating jobs, and supporting local businesses.

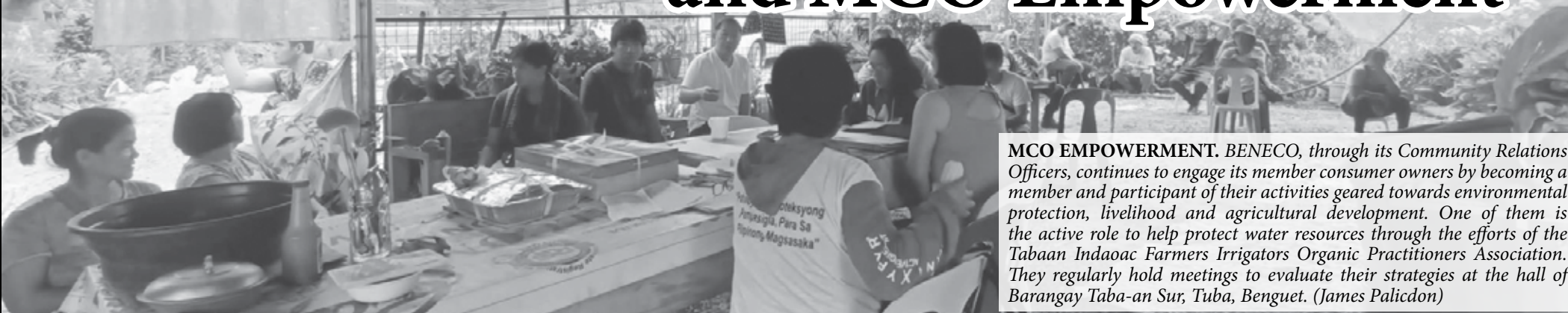
Reliable Service: Electric cooperatives prioritize reliable service, committed to meeting the needs of their members rather than maximizing profits.

Community Integration: Electric cooperatives foster a sense of community by hosting events, implementing educational programs, and offering energy efficiency initiatives.

And, since it is more consumer-centric rather than profit driven, there is an assurance that the sitio electrification program will continue while corporations will concentrate only on the populated and easy to reach communities.*

Special Feature**The Electric Cooperative Movement and MCO Empowerment**

By CHRISTOPHERE J. GONZALES



MCO EMPOWERMENT. BENECO, through its Community Relations Officers, continues to engage its member consumer owners by becoming a member and participant of their activities geared towards environmental protection, livelihood and agricultural development. One of them is the active role to help protect water resources through the efforts of the Tabaan Indaaoac Farmers Irrigators Organic Practitioners Association. They regularly hold meetings to evaluate their strategies at the hall of Barangay Taba-an Sur, Tuba, Benguet. (James Palicdon)

THE cooperative movement that started in Rochdale, England in 1844 became the universal template on how cooperatives now work and formed.

The Rochdale experience laid down at least seven principles that became the main fabric in cooperative's operation as well as served as pillars in the cooperative movement. The foundation in which these pillars stood is the same foundation where democracy is woven.

In February 2019, the European Parliamentary Research Service stated on its paper brief Cooperatives: Characteristics, Activities, Status, Challenges that "there are three million cooperatives worldwide; together, they provide employment for 280 million people, equating to 10 percent of the world's employed population. The 300 largest cooperatives and mutual in the world had a total turnover of US\$2.018 trillion in 2016."

These three million cooperatives -- purely democratic enterprises and owned by its members -- provide us now with a multiverse of services.

Among the top five leading cooperatives in 2019 listed by the International Cooperative Association are from credit union/banking and agricultural sector in France and Japan. On the top 160 list, we will find utilities or electric cooperatives.

Last year, the World Cooperative Monitor reported, that the Top 5 cooperatives, based on financial data, were the Groupe Cr dit Agricole from France (\$88.97 billion), followed by retailer REWE Group from Germany (\$77.93 billion), the Cooperative Financial Network from Germany (BVR) (\$58.02 billion), agricultural co-op Zen-Noh from Japan (\$57.69 billion) and ACDLEC Leclerc from France (\$54.83 billion).

The Electric Cooperative Movement

THE need for cheaper goods and services is considered as the main driving force for the formation of consumer cooperatives.

When electricity could only be found in major cities and capital towns, people would tend to totally rely on government or investors for electrification. But in some communities where people wanted to break free from the sense of helplessness, would organize and create their own cooperative.

In 1935, the government of United States enacted the Rural Electrification Act to encourage the cooperative sector to expand its coverage as well encourage communities to organize.

Federal loans were given to electric cooperatives through the Rural Electrification Administration (REA) for faster distribution system and infrastructure development. After two years, the REA drafted the Electric Cooperative Corporation Act of 1937 for different states to adopt and enable the formation and operation of not-for-profit, consumer-owned electric cooperatives.

US electric cooperatives were unified in 1942 with the establishment of the National Rural Electric Cooperative Association (NRECA). The NRECA became the voice and representation of the cooperatives to the Washington.

The significance of the American experience in the electric cooperative movement became the model of the Philippine government in its vision of total electrification.

In 1965, USAID financed a feasibility study done by NRECA extending electricity to rural areas. The feasibility resulted to adopting two pilot electric cooperatives, the MORESCO and VRESOCO. USAID invested \$382 million and contributed \$92 million to finance equipment, engineering consultant services and extensive technical services (Mandel, et al. 1980).

In 1969, President Ferdinand Marcos issued Presidential Decree 269 that aims for the total rural electrification based on area coverage basis. It also saw the creation of the National Electrification Administration and defined its functions and powers; organization of electric cooperatives; integration of power generation systems; establishment of island grids; loan financing for electric cooperatives and consolidation of existing electric distribution franchise systems.

Under the same Decree that a great number of electric cooperatives, same with BENECO, were organized as a non-stock, non-profit, service-oriented electric cooperative serving

a particular franchise coverage area. In the case of BENECO it is serving the province of Benguet and Baguio City as franchise area since 1973.

People's Participation, Organization and Empowerment

AS a standing principle of a democratic, people-owned cooperative, members have the right to speak and participate in the affairs of the cooperative. They assert their right to be informed and choose their leaders. They demand their contractual right to have access to electricity. They assert that the absence of electricity is costly and it is an act of social injustice -- especially for the marginalized.

The participation of member-consumers was encouraged since the inception of PD 269.

Studies say, however, that inefficiency and downtrend performance of crucial sectors in the industry, especially the rural electric cooperatives and the National Electrification Administration, on rural electrification were marred by a highly politicized environment and inadequate technical efficiency compounded by the recession in the late '80s.

As part of the organization, member-consumers vote for their representatives in the Board of Directors. They are obliged to attend the regular annual meeting.

There were also Barangay Power Associations or BAPAs

Thus, a community could create their own association, conduct downloaded services like collection, reading of house meters (only one installed billing meter used as 'mother' meter), right-of-way clearing and troubleshooting. However, they collect higher power tariff because of administrative expenses and income of the association being passed on to the members.

The BAPAs also serve as 'mini' power-distribution entity. They also voiced out their concerns to the electric cooperative and vice-versa.

Consequently, municipal/district consumer electrification committees were also organized. The members were representatives from different sectors like agro-fishery, academe, LGUs, people's organization -- among others. The primary function of the committee was to help the cooperative identify areas for electrification, suggest programs and air concerns.

In 2006, the NEA Administrator Edita Bueno issued Memorandum 2006-028 entitled, Organization of the Multi-Sectoral Advisory Council (MSEAC) in light of the implementation of the Electric Power Industry Reform Act of 2001 which put emphasis on the rights of the consumers to be informed and participate on the cooperative's affairs.

Attached to the functions of the newly created MSEACs is greater responsibility. MSEAC could attend the Board meetings as observer, recommend and nominate member-consumers for BOD in case of vacancy, perform downloaded services like bill collection and advocacy arm.

The members are leaders in their respective sector. Ten sectors were identified based on the memorandum e.g., agro-fishery, barangay council, business, civic, education, local government, media, religious, youth and women.

The MSEAC later evolved into a member-consumer-owners (MCO) organization under a general program called MCO People Empowerment (MCOPE). Some sectors were carried and indigenous people sector were added.

The selection of members also evolved. Now the community will decide during a consumer assembly that will represent them from the barangay. The organization starts at the locality until all chairperson will select among them who will represent the municipality or district. Most often than not, the selected members are also leaders in their respective barangays and sector.

The BENECO Experience

WHEN the movement reached Baguio City and the province of Benguet, and PD 269 was in full implementation, the locals organized and incorporated BENECO.

Since it was a martial law, the governing leaders of all electric cooperatives were high-ranking uniformed personnel. From 1974 to 1980, there were four colonels -- Teodoro Apostol, Teodorico Sanchez, Mauricio Flores, and Estaquillo Padoil -- who served BENECO.

The people then were on a wait-and-see mode in rural electrification. No significant display of member-consumers demanding government for power in the community. Since the government was reliant on funds coming from international aid like the USAID and people were concentrating on survival, including political uprising in some groups, there was no documented upheavals regarding rural electrification.

Instead, the NEA was busy safeguarding rural

electric cooperatives so that the foreign loan subsidy will be paid. There was a demand for efficient technical assistance of NEA. And to some degree people were already demanding energy in some regions, voicing out that no power means social injustice.

Starting 1986 to 1990, the member-consumers of Baguio and Benguet and BENECO employees were in protest -- sparked by a turmoil in the management of BENECO and a possible take-over of a private company -- the Aboitiz-owned corporate giant Davao Light and Power Company -- and NEA's exercise of its supervisory and control especially for ailing coops.

A unified resistance from employees, local leaders and member-consumers ensured until all cards were laid by NEA and its management team.

In addition, this was the time when BENECO was shaken so hard by an earthquake in July 1990, ballooning debt and managerial challenge. Attacked on all sides, the member-consumers stood and protected BENECO.

When the dust settled and they know that the intentions of the late GM Gerardo Verzosa was clear: for the betterment of BENECO. Paths were cleared but still some consumers were vigilant.

In 1991, Versoza assumed the position as General Manager under the supervision of a Project Supervisor Fulgencio Vigare. To ensure the direct participation of member-consumers, Verzosa asked his team for the organization of MCECs alongside with the existing BAPAs.

In 2006, five years after the advent of the Electric Power Industry Reform (EPIRA), BENECO member-consumers casted votes on either to remain as non-stock, non-profit, service-oriented co-op under NEA or to be a stock cooperative registered under CDA.

EPIRA gave the co-op's members to choose. And people opted to remain with NEA.

A Change of Fate

IN 2009 and 2019 after series of consultations with MCOs and leaders -- including the clamor of CDA for BENECO's registration -- member-consumers again exercised their right by way of a referendum and annual regular membership assembly. The exercise resulted to member-consumers favoring the BENECO's registration with CDA.

In November 2020, BENECO was registered under CDA. The registration of BENECO with CDA would strengthen the sense of ownership by its member-consumer-owners (MCOs). Increase members participation in cooperative's governance, developmental plans and affairs, run its operations observing the seven principles of cooperativism and eliminate questions on electric cooperatives as faux cooperatives.

In October 22, 2021, just as the COVID-19 pandemic was slowing down, the streets of Baguio were occupied by employees and MCOs chanting "Occupy BENECO!"

A managerial crisis and forceful takeover ensued after a series of decisions by NEA that appointed a contender, Marie Rafael, in the managerial position against the decision of the Board who previously appointed Melchor Licoben as the general manager.

The NEA appointment of the general manager was not accepted by the majority of the sitting board. As of this writing, all decisions and actions done by NEA on the GM selection and filling-up the position are still in question before the Court of Appeals.

Upcoming Challenges

A MAJORITY of electric cooperatives is now facing renewal of franchise. The political environment in the center of government Manila in both House of Representatives and Senate that wants to take a closer look into the performance and efficiency of electric cooperatives poses a challenge.

A recent post of a representative on TikTok and live streaming of committee hearing of a renewal of franchise that enumerates and questions the long list of items in the unbundled rate.

A senator's rant that wants to review all franchises especially those with constant consumers' report on frequent outages.

The offers of industry players to take-over certain co-ops in the south for cheaper cost of electricity and installation of advance technologies.

The "corporatization" of cooperatives under the guise of joint venture agreement.

The open-ear attitude of elected official for lobbyists and turning blind ear attitude on cooperatives.

The offers of MERALCO, the distribution utility giant for electric cooperatives on operational and management team-up.

The continuing dismay of business owners on the power situation of their place.

The threat of intensifying disasters.

The inadequate number power suppliers that could offer low rates.

These are a few among the long list of challenges that the electric cooperatives will face. And the MCOs must be ready -- united in thought and well-informed on matters that will affect their cooperatives -- because ignorance and wrong decision will be costly for everyone.*



IEC. The Community Relations Office of the electric cooperative often meets members of the communities for information, communication and education campaign.

No CBA for new BELU officers?



Andro Angluben

This query appears to have greeted the new set of officers of the Benguet Electric Cooperative Labor Union (BELU) as a new directive by the National Electrification Administration (NEA) has confined union membership among electric cooperatives (EC) only to employees who are not members of the EC.

Non-members refer to employees who do not have account numbers or electric meters registered under their names. The EC has a total of 219 rank and file employees who were all deemed to be union members prior to the issuance of the NEA ruling.

Andro Angluben, the newly elected president of the BELU, said that the union is willing to sit down with management to discuss the implications of NEA's new directive barring the formation of unions among employees who are EC members.

Angluben, a Community

Relations Officer under the Institutional Services Department (ISD), was voted as the new BELU president on Dec. 18, 2023, succeeding Jefferd Monang who held the post since January, 2021.

Angluben will be backstopped by Edward Batuyo (Network Services Department) as vice president; Sheena Rose Giacao (Network Services Department) as secretary; Carmela Etong (Non-Network Services Department) as treasurer; James Palicdon (Institutional Services Department) as auditor; Rona Descheree Soriano (Network Services Department) as public relations officer; Rolly Agbuya (Network Services Department) as sergeant at arms; and Regan Acdong, Mark Amisola, Sheraine Mae Willy, Johnwell Quiopot (all of the Network Services Department), and Ruth Ayban (Non-Network Services Department) as members of the board directors.

They will serve for a term of three (3) years.

"We have to study the future of the union in view of the new NEA rule," Angluben told the BENECO Journal. "There are pending proposals by the BELU which we would like management to consider but we must be sure first of the legal personality of BELU in seeking the management's consideration of our proposals.

The proposals were intended to improve the package of the employees following the expiration of our collective bargaining agreement, he said.

NEA Memorandum No. 2023-52 dated Oct. 5, 2023 said that "an employee of a cooperative who is a member and co-owner thereof cannot invoke the right to collective bargaining. In other

words, employees of cooperatives who are themselves members of the cooperative have no right to form or join labor organizations for purposes of collective bargaining for being themselves co-owners of the cooperative."

The NEA memorandum was lifted from the decision of the Supreme Court in the case of Batangas 1 Electric Cooperative, Inc. (BATELEC I) Labor Union v. Young and the Bureau of Labor Relations decided in November, 1988.

In the said case, the SC said employees of cooperatives who are also members of the cooperative cannot form a union to forge a CBA with management since one cannot bargain with what it owns.

In a recent consultative meeting between the NEA and the officers and members of the Philippine Association of Institutional Managers (PHILAIM), lawyer Delamr Carino, vice president, said that unions can still be formed by employees who are not members of the EC.

"The NEA memorandum has not totally closed the formation of unions for CBA. The employees can still form a union and negotiate with management if they are not members of the ECs. They still have the right to organize and register their group as a union following the requirements of the law," he told the Institutional Services Department (ISD) managers of the country's 1221 ECs.

BENECO has no way out but to comply with the NEA guidelines considering that it is also registered as a member of the Cooperative Development Authority, prompting the BELU to review who among its ranks are members of BENECO and who are not.

Once the new BELU officers are inducted into office, it is expected that the concern will be its first official business for the year. "This is very challenging for us since the very existence of the BELU is at stake," he said.

While the non-members are entitled to unionize, the NEA memorandum likewise required that any CBA to be entered into must also be submitted for approval by the general assembly.

Salaries and retirement benefits of employees should not also form part of the CBA since these matters are governed by regulations issued by the NEA.

It also required that at least three members of the Multi-Sectoral Electrification Advisory Council (MSEAC) or member consumer owners organized through the NEA's Member Consumer Owners Program for Empowerment (MCOPE) must be part of the consultative panel for the review and negotiation of the proposed CBA provisions.

Melchor Licoben, general manager, has expressed willingness to discuss the NEA memorandum with the newly chosen BELU officers.

This is a challenge for us, Angluben said.

through these grueling years. We could not have accomplished our goals as a cooperative without the support and cooperation of the BENECO workforce, from our regular, probationary, and contractual employees, utility service providers, and security guards."

Licoben also paid tribute to the employees who never wavered on their commitment to support the leadership of the electric cooperative.

"Aside from your determination to protect our member-consumer-owners and the cooperative we call our second home, I would also like to thank each one for your trust and commitment to the leadership of BENECO. I am grateful to all who prayed, stood up and persevered for the truth. With everyone's support, we remain and continue our commitment to quality service" he said.

bumbero" (I saw that the fire was already high and as big as a human being. I saw an abaca sack near a downspout. I grabbed it and covered the can of floor wax. God willing, the fire stopped. There was no more need to call for the fireman).

The incident though caused first degree burns on my hand, he said. A coemployee, Teodora Parungao, came to help ease his burns. Parungao took a lard and applied in on Lito's arm. Lito writhed in pain. And he cried so loud.

But not because of the pain. He cried because he feared for his employment. He knew that GM Cosalan would fire him.

"Idiayan nga nag sangangitakun. Diay panunut ku ket maikkatakun diay nga aldawen. Ta kabigatanna ket simmangpet ni sir GM Peter (Cosalan). Diay tinangad na ah diay ngatu ket nalita na jay natuklap nga pintor ti ceiling. Billing section ken admin jay next floor ket kayu didiay nga isu ti ayan ti rec-

ords." (That's the time I really cried. I was thinking then that day that I will be dismissed. The following day, GM Peter Cosalan came and looked up the ceiling. He saw that the paint of the ceiling got scalped by the fire. The next floor is where the billing and admin offices are located where there are many records).

Lito, a native of Naguilian, La Union and a father of four, said if the fire was not controlled, it could have reduced to ashes the entire Benitez building.

Luckily, GM Cosalan did not give him his walking papers.

"Dakkel nga yaman ken BENECO ta amin met nga pinag paadal ti annak ko ket diay su-swelduk ti BENECO ket isu pinag pa-turpus ko kadagidiay uppat nga annak ko." (Big thank you to BENECO since it was through my salary that I was able to send my four children to school who all graduated), he said.

"Maybe the fire that I caused was a blessing for me", Lito said

BELU CORNER

Thoughts & Tidbits

By JAMES PALICDON

From the BENECO Employees Labor Union, congratulations to BENECO for rising up taller and stronger amidst all those trying years. We celebrated our 50th Golden Anniversary last October 2023 and we showcased how steeled we are through these years. We will continue to stand united. As stated by lawyer Janeene Depay-Colingan, PHILRECA general manager, united we are strong, divided we are weak! Stay united with the MCOs as we power on!

We are happy that our very own Labor management Council, called Aspulan, was given the Special Award on Corporate Viability by the National Conciliation and Mediation Board (NCMB) during the LMC National Convention in Nasugbu, Batangas. BENECO was the bet of the NCMB Cordillera Administrative Region to the national tilt. There were 17 finalists in the category BENECO was nominated -- 2023 Search for Outstanding Labor Management Cooperation for Industrial Peace (Organized).

BENECO was the only electric cooperative that was recognized in this year's edition of the awards. We thank GM MSL for approving a sizable delegation to the convention.

Congratulations to the new elected officers of the BELU. Andrew Angluben is the new president and we will support his leadership. He said he will be a team player so that the BELU can provide solutions to whatever concerns the rank and file will face.

Let's continue to pray for the approval of House Bills Nos. 6145 and 9402. The committee on franchise of the lower house already approved the bill. Next is the plenary session. Baguio Rep. Mark Go, author of HB No. 6145, said he sees no problem of the approval of the bill during the plenary session the House of Representatives. If that happens, we continue our fervent prayers for a similar approach in the Senate.

On a last note, the election for the Board of Directors will hopefully be called the early part of 2024. The GM has already been chosen and based on the tasks assigned to the Task Force, the election should be next. The Task Force has been mistakenly criticized. But the members were there pursuant to the order of the National Electrification Administration (NEA). With the GM issue now settled, the Task Force is expected to call for elections. A lot of MCOs are asking when the elections will be held. Let us wait. In the meantime, those qualified can start posturing.

NEA urges... from page 1

directive on natural gas as a good alternative for coal as a source of power supply. The NEA earlier issued NEA Memorandum No. 2023-56 dated Nov. 13, 2023 urging the ECs to participate and commit their capacities for a 15 year supply contract with the winning bidder.

Antonio Mariano Almeda, NEA Administrator, said the TOR the agency prepared was based on the Power Supply Procurement Plan (PSP) the ECs earlier submitted via the CSP E- base portal. The NEA has also already formed the Special Bids and Awards Committee (SPBAC) for the said purpose.

BENECO already submitted the board resolution to NEA expressing its consent and support to the natural gas procurement.

The cooperative's management though has expressed some concerns on the move by NEA to aggregate the demands of the ECs, saying that the prices of power supply in the market might turn cheaper after five or six years which could not be taken advantage of if the ECs already signed a 15 year contract for natural gas.

Olive Bete, BENECO's executive services and regulatory compliance officer (ESRCO), hoped that the NEA would consider the EC's commitment of a capacity only until 2028 and not until 2039 which is the same capacity and short term period it offered in its aborted CSP earlier.

She explained that the capacity BENECO can commit should only be until 2028 since that is the expiry year of the EC's franchise.

Under the TOR prepared by NEA, the power supply contract must not go beyond June 25, 2039. The TOR also said that the target delivery date for the supply of natural gas for the ECs that will execute a power supply contract with the generation provider will be on June 26, 2024.

Bete, an electrical engineer, said that the NEA's TOR must also consider setting a minimum energy off take (MEOT) to at least 65% of

the supply to allow the ECs to source power from Wholesale Electricity Spot Market (WESM) are cheaper.

Aside from BENECO, the other ECs the NEA summoned to participate for the CSP on natural gas are Central Pangasinan Electric Cooperative, Inc. (CENPELCO), Tarlac II Electric Cooperative, Inc. (TARELCO II), Pampanga I Electric Cooperative, Inc. (PELCO I), Peninsula Electric Cooperative, Inc. (PENELCO), Nueva Ecija II Electric Cooperative, Inc. (NEECOII-A2), Batangas I Electric Cooperative, Inc. (BATELEC I), Albay Electric Cooperative, Inc. (ALECO), Camarines Sur I Electric Cooperative, Inc. (CASURECO I), Camarines Sur II Electric Cooperative, Inc. (CASURECO II), Sorsogon I Electric Cooperative, Inc. (SORECO I), Sorsogon II Electric Cooperative (SORECO II), Pampanga Rural Electric Service Cooperative Inc. (PRESCO), Mountain Province Electric Cooperative, Inc. (MOPRECO) and Isabela I Electric Cooperative, Inc. (ISELCO I).

The NEA said it will take into consideration the comments and inputs of ala the EC during the consultation. Lawyer Ivan Zamora, who led the discussion on the TOR, said he will thoroughly discuss with the NEA's technical working group (TWG) on how to tweak the TOR to address all the concerns of the ECs.

Sharon Garin, DOE undersecretary, earlier told the ECs that the preference now for natural gas is driven by the fact that the use of natural gas at the moment is still considerably low compared to coal and hydro.

Garin said the DOE issued the order for the use of natural gas as a step to achieve the target of the Marcos administration to increase the use of clean energy by 30% in 2038. She added that the move was also meant to address the void to be created by the current moratorium on the construction of new coal powered plants.

The employee... from page 1

an electric stove. He plugged its cord into the outlet and placed the can of floor wax on top of the stove. Once the wax is heated, it will sort of melt and the mop can easily get soaked into it, he said to himself.

Then off he went to the other rooms to sweep. When he came back, he saw the unexpected – the melted wax overflowed and fueled a fire that reached to ceiling of the room. "But I still had my presence of mind," he said.

He saw an abaca sack, grabbed the same and placed it on top of the can of wax, hoping that the fire will stop. It did.

"Natalyaw ko ket nangatun jay apoy nga kasla tao. ti kadakkel nan. Nakitak jay sako ti abaca nga naibatog ti downspout. Isu ti tinaray ko nga intakkab idiay nag-apoyen ah nga wax. Kaasi ni Apo, ket naagapak. Haanen dimmanun nga immay ti



FIRST MONDAY EXERCISE. Employess do some stretching after their flag raising ceremony every first Monday of the month.

BENECO grabs honors in 2023

By LAARNI SIBAYAN-ILAGAN

BAGUIO CITY: There was no denying BENECO in 2023.

Despite the challenges the electric cooperative faced in the past couple of years, awards and recognitions rained on the cooperative that led to its regaining the reputation it once held among the country's 121 electric cooperatives.

Technically, at least, and recognition here and there for some job well done.

On December 6, 2023, the Department of Energy (DOE) awarded on line the electric cooperative for complying with all the reportorial requirements for the Retail Competition and Open Access (RCOA) for year 2022.

On November 24, 2023, the electric cooperative's labor management council, called Aspulan walked on stage at the Forest Crest Nature Hotel and Resort in Nasubgu, Batangas to claim the Special Award on Corporate Viability given by the National Conciliation and Mediation Board.

BENECO was one of the 17 finalists nationwide in this contest that featured the best practices to engage employee participation is company decision and industrial peace. BENECO was the NCMB Cordillera Administrative Region's best bet for the awards and the only electric cooperative that participated and won the recognition.

Though shy of being a Triple A cooperative, a category BENECO enjoyed for five years prior to the pandemic, the electric cooperative showed its mettle to climb the charts anew when it rated the cooperative as a Double A Category EC, up from its dismal rating of Category B in 2021.

Of course, cooperative employees would readily blame the GM leadership fiasco as the culprit in becoming Category B.

In August, 2023, the electric cooperative garnered a blast of awards that recognized what the cooperative is really all about, causing wide grins among the members of the BENECO Task Force.

The awards that were given during the NEA and Philippine Rural Electric Cooperatives Assn. (PHILRECA) Week at the Phil. International Convention Center

were as follows -- Occupational Safety and Health Excellence Award; Outstanding Performance Award; Champion of the One EC Network Foundation Award; Limelight Award; MCO Champion Award; Outstanding Radio Program Excellence Award; Bright Beginning Award; Gold Stellar Award; Prompt Payor Award; and Quality Innovator Award.

Kudos were also given by the Commission on Elections (COMELEC), Baguio City District Office, for BENECO's role in seeing to it that there was no power interruption during the October 30, 2023 Barangay and Sangguniang Kabataan Elections (BSKE).

The COMELEC and Baguio City mayor Benjamin Magalong gave the plaque of appreciation in one of the flag raising ceremonies at city hall in December.

In times of need, BENECO is also at the forefront of social causes following its contribution to restore normalcy at the Baguio City public market after it was razed by fire.

The cooperative received a Certificate of Commendation for Selfless Dedication, Tireless Efforts and Willingness to Lend a Helping Hand for the Successful Clean-up Operation of the Baguio City Public Market given by the city government last April 17, 2023.

Another award was given in March, 2023 when the Bureau of Internal Revenue (BIR) recognized BENECO for its timely payment of correct taxes. The citation, given at the Newtown Plaza Hotel and Grand Ballroom in Baguio City said BENECO is recognized for "its unending support in generating funds for the country's economic recovery and development through its timely payment of correct taxes and continuous operation with the Bureau's revenue generation efforts for nation building."

And lastly, the electric cooperative maintained its stamp of class as being compliant to global standards of quality management system (QMS). In September, 2023, BENECO hurdled the recertification of its International Organization for Standardization (ISO) for the QMS standard 9001-2015. The certification shall be valid until October 2025.

systems have the archivers and replicators required by the interface.

The ambitious NEA flagship project will elevate to another level the long tested SCADA system of BENECO which was installed in 2007. The SCADA system is a software automation solution that provides real-time supervisory control and data acquisition for distribution utilities. The electric cooperative acquired the SCADA system from Survalent but the network services department's electrical engineers were the ones who commissioned its



BENECO FRANCHISE BILLS APPROVED. The Task Force and management officers of BENECO pose with members of the Committee on Franchise of the House of Representatives following the approval by the committee of House Bills Nos. 6145 and 9402 that sought to renew the franchise of BENECO. The committee is chaired by Rep. Gustavo Tambunting (Rep., 2nd District, Parañaque City). HB No. 6145 was authored by Rep. Mark Go (Baguio City) and HB No. 9402 was authored by Rep. Eric Yap of Benguet.

ECs must be wary of privatization - PHABREC

The boards of directors of electric cooperatives (ECs) have to be on their toes, well equipped and armed with knowledge to be able to lead their cooperatives in the right direction.

This was stressed by Roselle Teodosio, president of the Philippine Association of Board of Directors of Rural Electric Cooperative (PHABDREC) North Luzon Chapter during the group's teambuilding at the BENECO headquarters in Baguio City recently.

Eighty six directors from 18 electric cooperatives joined the event.

Teodosio, a lawyer, said directors must be well equipped and re-educated. "They must conduct a self-assessment to identify their strengths and weaknesses to be able to address the numerous concerns facing the country's 121 electric cooperatives," she said.

She mentioned the threats of privatization and takeovers by private investor owned distribution utilities and the increasingly stringent parameters imposed by regulators.

"We all know meron mga pwedeng ma-takeover especially those faced with inevitable brown outs - marami kasi mga issues and concerns with regards to consumers. Malakas ang social media, it's very hard for us to counter those media mileage na nangyayari. Alam naman

natin na sa sampung nagawa mong tama, yung isang mali doon nag-focus yung mga tao so, we always have to be one step ahead." (We all know that there are those that can be taken over due to unreasonable brown outs. There are a lot of issues that concern member consumers. Social media is strong and it is very hard to counter those media mileage that are posted. We know that out of ten good deeds that we do, the people will focus on that one lapse that we did so we must all be one step ahead) Teodosio, who is also the president of the board of directors of the Pangasinan III Electric Cooperative (PANELCO III), said.

She expressed hope that the team building and initial meeting of the PHABDREC-NL chapter will start a stronger bond for member coops and act as an avenue to share and learn each other's best practices,

"so we could help each other out in times of need."

"In Northern Luzon, there are a few ECs whose franchise are up for renewal within the five year frame work. We are looking at that. We are supposed to start gathering data and documentation if we are within the five year period of our franchise renewal.

She said that in region I composed of the electric cooperatives from the Ilocos region and Pangasinan, the Pangasinan I Electric Cooperative (PANELCO I) is the only cooperative whose franchise is about to expire in the next few years.

If teodosio mentioned beneco, then we will include the last two paragraphs. If not, we delete muna. Also, in future stories, statements in the vernacular must be subsequently translated in English and placed in parenthesis.

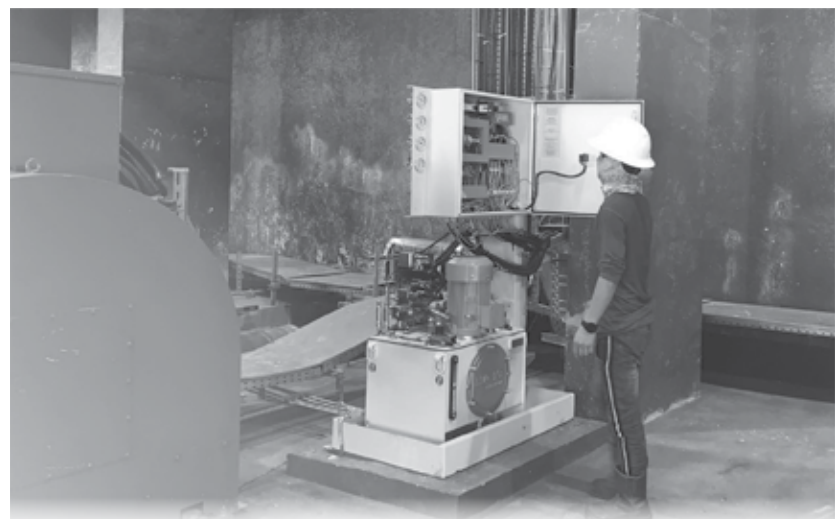


ALL DAY, ALL IN. The electric cooperative's linemen fix the lines to ensure the continuous supply of electricity to all households and businesses.

NEA taps... from page 1

Through the DDCC, the NEA can access the vital technical data of ECs such as system reliability indices, financial reports, institutional compliance, and status of electrification.

Ramel Rifani, BENECO's network services department manager, and Virgiliuo Fortich Jr., CEBECO III general manager, both assured NEA that their SCADA



MAN-ASOK MINI HYDRO. A maintenance man at BENECO's 3 megawatt mini hydro facility checks.

utilization.

Rifani said the system including its periodic upgrade cost around P30 million. The SCADA is the most visited infrastructure of BENECO among electrical engineering students from other universities and ECs.

The digital dashboard will involve two windows, the EC geographic information system (GIS) performance map and the EC key performance indicators (KPIs). It will also have widgets on

In a press statement, the NEA said it aims to collaborate with government agencies such as the Department of Science and Technology (DOST) to prepare the other ECs in relation to the SCADA and the DDCC.

The NEA said it was pushing for the DDCC to enable the agency to better facilitate ground support for ECs and serve their member consumer owners better.

Increasing cases... from page 2

that the same could be immediately subjected to inspection.

Ramel Rifani, Network services department manager related his most unforgettable experience on electrocution.

"One incident that still remains

to haunt me was the maiming of two future police officers. They are criminology students who happened to work in a house under construction but got electrocuted. Both their hands and feet had to be amputated. This happened because the house owner could not wait for BENECO to interruption the electricity so that they could work freely. We have

agreed that the power interruption will be on a Wednesday. But on Saturday prior to that Wednesday, the owner allowed his workers to proceed and this caused the incident" Rifani lamented.

Cases such as this are avoidable if only the heads of the construction project have considered the safety of their workers as priority, Rifani said.

Gearing Towards Total Electrification



NEA and DPWH create unified pole relocation database

The National Electrification Administration (NEA) and the Department of Public Works and Highways (DPWH) created a Unified Pole Relocation Database template to organize a comprehensive list of electric cooperative (EC) utility poles and facilities affected by road

widening projects.

In a memorandum dated 21 September 2023, NEA instructed the ECs to coordinate with the implementing offices of DPWH covering their service areas to ensure that all power distribution line sections affected by public

infrastructure projects, from 2017 onwards, are included in the unified database.

This developed following a 15 August 2023 meeting held between the two agencies in order to reconcile and consolidate their respective master lists. DPWH used Road

Section/Station Limits while NEA utilized Line Segments.

“Accordingly, DPWH and NEA agreed to use a harmonized template for uniform identification of electric facilities to be relocated and to identify the exact locations of the Obstructing and Affected Electric

Facilities,” read an attached DPWH memo dated 24 August 2023.

The unified database will serve as basis for NEA’s determination of funding requirements for completing all electric pole or facility relocation projects affected by DPWH’s road expansion and construction activities.

NEA loans to ECs hit P846.71 million as of August, 2023

Based on data from the National Electrification Administration (NEA) Accounts Management and Guarantee Department (AMGD), the agency extended PhP846.71 million worth of loans to 22 electric cooperatives (ECs) as of 31 August 2023.

According to AMGD, PhP411.86 million was utilized for the capital expenditure (CapEx) loans of 16 ECs: First Laguna Electric Cooperative, Inc. (FLECO), Quezon I Electric Cooperative, Inc. (QUEZELCO I), Sorsogon I Electric Cooperative, Inc. (SORECO I), Iloilo III Electric Cooperative, Inc. (ILECO III), Northern

Negros Electric Cooperative, Inc. (NONECO), Camotes Electric Cooperative, Inc. (CELCO), Bohol II Electric Cooperative, Inc. (BOHECO II), Leyte V Electric Cooperative, Inc. (LEYECO V), Zamboanga del Norte Electric Cooperative, Inc. (ZANECO), Misamis Oriental I Rural Electric Service Cooperative, Inc. (MORESCO I), Bukidnon Second Electric Cooperative, Inc. (BUSECO), Davao del Sur Electric Cooperative, Inc. (DASURECO), Siasi Electric Cooperative, Inc. (SIASELCO), Basilan Electric Cooperative, Inc. (BASELCO), Siargao Electric Cooperative, Inc. (SIARELCO) and Surigao del Sur I

Electric Cooperative, Inc. (SURSECO I).

Meanwhile, PhP372 million was borrowed by 7 ECs as working capital. These are Central Pangasinan Electric Cooperative (CENPELCO), Aurora Electric Cooperative, Inc. (AURELCO), FLECO, Antique Electric Cooperative, Inc. (ANTECO), Zamboanga del Sur II Electric Cooperative, Inc. (ZAMSURECO II), Lanao del Norte Electric Cooperative, Inc. (LANECO), and Misamis Oriental II Electric Cooperative, Inc. (MORESCO II).

MORESCO I borrowed PhP12.85 million for its modular generator set, while LANECO availed



a PhP50 million Short-Term Credit Facility (STCF) loan.

The disbursed funds are part of the Enhanced Lending Program of the NEA, which consists of regular,

calamity and concessional loans, stand-by and short-term credit loans, single-digit system loss, renewable energy and modular generator set loans.

Tripartite agreement signing for task Force Metro in BARMM

National Electrification Administration (NEA) Administrator Antonio Mariano Almeda signed a Tripartite Agreement for Task Force Metro with the beneficiary electric cooperatives (ECs) and representatives of various regional EC associations at the HES Auditorium, NEA Building, Quezon City on 05 July 2023.

The objective of the agreement is to resolve the metering issues plaguing the ECs of Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

Under the agreement, a number of EC regional organizations will provide a total of 67,300 units of kilowatt hour (kWh) meters to the Lanao del Sur Electric Cooperative, Inc. (LASURECO), Maguindanao Electric Cooperative, Inc. (MAGELCO), Sulu Electric Cooperative, Inc. (SULECO), Tawi-Tawi Electric Cooperative, Inc. (TAWELCO), and Basilan Electric Cooperative, Inc. (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 the Federation of Rural Electric Cooperatives in Region 8 (FRECOR 8). SULECO, TAWELCO, and BASELCO, on the other hand, will each receive 2,000 units from CEVECA.

“Masayang-masaya ako na dito sa napuntahan kong industriya, bukas ang kalooban ng bawat electric cooperative na tumulong sa mga nangangailangan,” the Administrator said, thanking the EC donors for providing a helping hand to those in need and witnessed the proof of brotherhood within the electrification industry.

The Philippine Rural Electric Cooperatives Association (PHILRECA) and National Association of General Managers of Electric Cooperatives (NAGMEC) were also present during the agreement signing. They gave their full support to the NEA Administrator and the agency’s objective of total electrification.



NEA celebrates its 54th Founding Anniversary

The National Electrification Administration (NEA) celebrates its 54th Founding Anniversary and the 14th National Electrification Awareness Month (NEAM).

The anniversary program was held from 9-11 August 2023 at the Philippine International Convention Center (PICC) in Pasay City. Various stakeholders and guests from the government and private sector were invited to celebrate and acknowledge the agency’s achievements, particularly its Rural Electrification Program.

Guided by President Ferdinand Marcos, Jr.’s electrification goal,

NEA’s 54th anniversary was celebrated with the theme “Total Electrification by 2028.”

NEA Administrator Antonio Mariano Almeda, in his welcome remarks, said the agency together with the 121 electric cooperatives, and its partners in government and the private sector can achieve the President’s vision of a fully electrified Philippines.

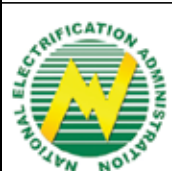
“Samahan niyo akong pailawin ang tahanan ng bawat Pilipino. Mabuhay ang National Electrification Administration. Mabuhay ang Rural Electrification Program. Mabuhay ang bagong Pilipinas,” Admin

Almeda concluded.

NEA also conducted a ceremonial switch-on for the 15.66 millionth consumer connection in 12 barangays in Nunungan, Lanao del Norte.

A Power Forum was also held wherein various resource speakers, including foreign delegates, shared their expertise on matters regarding rural electrification.

The celebration highlights 54 years of collaborative work between NEA and its partner ECs in achieving sustainable rural development and remarkable contributions of the electrification program towards nation-building.



KEEPING THE ALLIANCE STRONG IN PURSUIT OF RURAL ELECTRIFICATION



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PHILRECA GM and CEO lawyer Janeene Depay-Colingan

PHILRECA opposes private for profit takeover of electric cooperatives

For over 50 years, the National Electrification Administration (NEA) has had a solid partnership with electric cooperatives (ECs) in implementing the electrification program in rural communities.

Today, these 121 ECs serve more than 15 million households and businesses across the country, enabling millions of Filipinos to live a better life. ECs have also paved the way for the development of rural communities, alleviating poverty and creating more opportunities for Filipinos living in the countryside.

As non-stock, non-profit, and service-oriented entities, ECs are committed to delivering electricity to underserved rural areas, often overlooked by profit-driven firms due to low financial viability. This principle underpins Philippine Rural Electric Cooperatives Association (PHILRECA)'s stance against the private for-profit takeover of electric coops. PHILRECA asserts that private for-profit takeover of electric cooperatives does not guarantee improved services for consumers, contrary to the conviction of proponents pushing for private sector

takeover. It also emphasizes that not all ECs present issues. According to the EC Overall Performance Assessment, which is conducted by NEA annually, the majority of cooperatives are efficient in providing electricity to the communities they serve.

Results of the 2022 EC Overall Performance Assessment showed 93 electric cooperatives earned an "AAA" rating, the highest score given by the NEA, which indicates the power utilities' full compliance across all criteria. Of the 93 ECs that achieved an "AAA" rating, 31 attained a perfect score. Results also showed that 17 ECs have shown improvement in their overall performance, while only seven ECs regressed.

As such, PHILRECA calls for the national government's continuous support of the 121 electric cooperatives, as they work toward achieving total electrification of the Philippines by 2028.

PHILRECA believes keeping the electric cooperatives as the national government's solid partner for electrification is the best step to achieving this goal.

The future of energy: Renewables

The Philippines is currently experiencing an unprecedented energy crisis. The natural gas fields deposited in Malampaya that provide 30% of Luzon's energy needs, will run out the following year.

The consequences of constant change happening in the Philippines primarily driven by the ballooning population and the increasing demand for energy and electricity stirs the prices and supply across the archipelago making it vulnerable for surges and fluctuations.

According to the Department of Energy, for the Philippines to become energy efficient, it must utilize all alternative options for producing energy. Combining conventional energy options such as fossil fuels and coals with renewable energy is crucial for diversifying energy mix. Putting it into perspective, the nation's energy supply is heavily composed of coal with 47%, natural gas accounting for 22%, greener energy options with 24%, and oil for 6% out of the overall 23 gigawatts of energy output. To address this rendering issue, the national government crafted policy measures through the National Renewable Energy Program 2020-2040, which outlines the roadmap towards a 35% renewable energy share of the country's power generation mix by 2030. This is also in line with the United Nations Sustainable Development Goal 7 which refers to affordable and clean energy.

In this manner, the role of stakeholders from the energy sector, especially electrification is essential in inculcating and promoting renewable energy. This goal has always been in the agenda of Electric Cooperatives and its national Association, PHILRECA. In fact, a Technical Working Group (TWG) was created during the 2022 PHILRECA Annual General Membership Meeting, chaired by ROMELCO General Manager and PHILRECA Board of Director Engr. Rene Fajilagutan to foster collaboration, create a pool of experts, and coordinate the efforts of electric cooperatives in building renewable energy systems.

ECs have also been consistently moving towards renewable energy by investing or partnering with stakeholders to develop renewable energy systems in their franchise areas. One of the many ECs who work tirelessly to provide better services to its MCOs through alternative energy options is the Benguet Electric Cooperative (BENECO). Their sheer will and utmost dedication made them undergo a progressive decision by entering a renewable venture with the municipality of Buguias. This was lauded by PHILRECA Executive Director Janeene Depay-Colingan during the 50th anniversary of BENECO.

In her message, Colingan praised BENECO for its commitment to enhancing the dependability and effectiveness of power distribution to its member-consumer-owners (MCOs).

The Memorandum of Agreement between the Municipality of Buguias in Benguet and BENECO paved the way for the completion of the construction of the 3MW Man-asok Mini Hydroelectric Power Generation Plant. This is perfect with the topography of the area due to its high altitude and plenty of water system resources.

BENECO is raising the bar and setting a role model for everyone. The development project will not only provide accessible clean energy for their franchise areas but will also empower them to become an active catalyst of local development as it will further stimulate the economic activities within the area. Thus, leading to growth and development.

PHILRECA asks DOE to amend circular on UCME subsidy

The Philippine Rural Electric Cooperatives Association (PHILRECA), as represented by the Executive Director and General Manager Atty. Janeene Depay-Colingan, has formally asked the Department of Energy (DOE) to revisit its decision to exclude the procurement of emergency power supply of off-grid electric cooperatives (ECs) from universal charge for missionary electrification (UCME) subsidy during her DWPM Teleradyo interview last September 6, 2023.

Same sentiments were also provided in the issued Resolution No. 08-06-23 approved by the PHILRECA Board of Directors, where the association urges the DOE to amend its Department Circular 2023-06-0021 entitled "Prescribing the Policy for the Mandatory Conduct of the Competitive Selection Process by the Distribution Utilities for the Procurement of Power Supply for the Captive Market," citing Section 2.3.5. of the DOE Circular, which states that "the procurement of emergency power supply shall not

be entitled to any form of subsidy."

The Association also claimed that the provision is "inconsistent and in violation of Section 70 of the RA 9136", which declared that the revenue from sales in missionary areas and the collected universal charge shall fund the missionary electrification.

It was emphasized that Emergency Power Supply Agreements (EPSAs) contribute to ensuring reliable power supply in their franchise areas, particularly in situations where off-grid ECs experience disruptions on power supply.

"It does not change the circumstances that they still remain missionary areas due to the fact that they are yet to be connected to the transmission system," PHILRECA said. "Thus, they shall still be entitled to a UCME to reduce the cost of electricity, since the true cost generation rate (TCGR) or electricity production in the off-grid areas is expensive."

Furthermore, it pointed out that the Republic Act No. 9136 or the

Electric Power Industry Reform Act (EPIRA) of 2001 does not provide any distinction on the mode of procurement to be entitled from the UCME subsidy.

"Either mode of procurement, regular CSP or EPSA, by the ECs in the off-grid areas, it is understood that the energy requirements remain the same and should be provided with the corresponding UCME subsidy as required under the provisions of the EPIRA," the resolution stated.

PHILRECA also raised concerns about how removing the UCME subsidy would result to an increase of electricity rates in off-grid areas, adding that the non-entitlement of the emergency power supply of the DU to UCME will charge the members-consumers-owners of the EC with the TCGR, resulting in a heavy financial burden to all consumers.

This resolution was formally approved by the PHILRECA Board of Directors during the association's 44th Annual General Membership Meeting on August 10.

PHILRECA supports passage of bill for lineworkers



PARTYLIST REPRESENTATIVES. Rep. Sergio C. Dagooc of APEC Partylist and Rep. Presley C. De Jesus of PHILRECA Partylist have continued to fight for the welfare of electric cooperatives in the House of Representatives.

The Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) supports the filing of a bill that seeks to provide mandatory insurance coverage and benefits to lineworkers in the power sector.

PHILRECA Executive Director and General Manager Atty. Janeene Depay-Colingan thanked Senator Francis "Chiz" Escudero for recognizing the invaluable contribution of the lineworkers to our society by filing Senate Bill 2303.

"This bill marks a significant milestone for our Warriors of Light and the electric cooperative - member-consumer-owner (EC-MCO) movement, and we hope it will be approved by the Senate," Colingan said.

"Our lineworkers risk their lives every day to ensure that our homes and businesses have a steady supply of electricity, so it is our moral obligation to provide them all the necessary assistance and benefits they deserve," the PHILRECA

executive added.

Under Senate Bill 2303, private distribution utilities, electric cooperatives and transmission or grid operators will be mandated to provide insurance coverage to their respective lineworkers.

The bill also requires employers of lineworkers to grant additional benefits, such as retirement and disability benefits, death and burial assistance, and medical expense reimbursements, among others.

A similar measure — House Bill No. 7561 or the "Line Workers Insurance and Benefits Act" — has already been approved by the House of Representatives on its third and final reading.

Among the authors of the said bill are APEC Party-list Representative Sergio Dagooc and PHILRECA Party-list Representative Presley De Jesus.

At present, ECs extend certain benefits to their lineworkers, while the One EC Network Foundation, PHILRECA'S corporate social

responsibility arm, offers emergency assistance to lineworkers.

In a separate statement, the Power Bloc, composed of Deputy Minority Leader De Jesus and Assistant Minority Leader Dagooc, lauded Escudero and other senators for filing bills that promote the welfare of lineworkers in the power utility industry.

Senator Escudero sponsored Senate Bill 2302, Senate Bill 2303, and Senate Bill 2304, while Senator Raffy Tulfo filed Senate Bill 2376, and Senator Jinggoy Ejercito Estrada filed Senate Bill 2343, the counterpart versions of House Bill 7426 (National Line Workers Appreciation Day Act), House Bill 2158 (Mandatory Insurance Coverage and Benefits for All Line Workers), and House Bill 2152 (Energy Advocacy Counsel Act).

"As champions of the energy sector, the Power Bloc hopes that the measures will open the door for the speedy passage of these bills into law," Dagooc said.

Nominations for 2023 by the BENECO Journal Staff

National Linemen of the Year	Rufo Madilat Murphy Morca
Meter Readers of the Year	Nelson Cadate Pablo Ramos III Ronald Vinoya John Yago Baldo Jose Jr. Elmer Malagay Redentor Ribad Dominic Changpas Edgardo Mat-an Leey Tarnate
Collection Associates of the Year	Elaine Grace Sahoy Manibel Gonzales Jeannie Ann De Vera
Dancing Emcee of the Year	Robert Apilis
GM of the Year	Engr. Melchor Licoben
Abroad of the Year	Rommel Pagandiyán
Rate of the Year	P5.73 per kWh (generation cost)
Gym Rats of the Year	Carmela Etong Arvin Gamboa Delmar Cariño Julius Sabado
Still the Fighting Words of the Year	"Empleyado ak lang"
Reenactment of the Year	"Occupy BENECO" on October 20, 2023
Wish Come True of the Year	Two months PIB
All Around of the Year	Florencio Tarnate
Clamor of the Year	District Elections
Split of the Year	Feeder 13 to Feeder 12 and Feeder 14
Gong Beaters of the Year	Atty. George Dumawing Artemio Bacoco
Loss of the Year	Former Directors Oscar Montes, Mabini Maskay and Victorio Palangdan
Donation of the Year	MRBDC System to IFELCO
Administrator of the Year	Antonio Mariano Almeda
Most Benchmarked of the Year	SCADA
Most Reserved of the Year	Gen. Pedro Dumol Hall
Building of the Year	Gerardo P. Verzosa Building
House Bills of the Year	HB Nos. 6145 and 9402
Belated Supporter of the Year	Rep. Eric Yap
Fall of the Year	Norfolk Pine Tree
First of the Year	Flag Raising Ceremony every first Mondays of the Month
Most Coveted Certification of the Year	Lineman NC II
Color of the Year	Gold
Make Over of the Year	Carmela Etong
Event of the Year	50 th Anniversary Celebration
Canteen of the Year	Transformer Cafe
Detachment Commander of the Year	SG Rommel Fangot
Most Liked Viber Chatter of the Year	Jason Aligan
Best Linemen of the Year	Reagan Acdong Dave Addom Aladin Buya Charlie Dumsang Joel Esteban Enrico Eustaquio Rufo Madilat Murphy Morca Bartolome Parrocha Joel Pi-ay Rene Quimo Christopher Rifani Jeremy Shagul Janus Tandí Jeremy Shagol Elmer Tavas
Mechanic of the Year	Rogelio Acebo
CCWA Associates of the Year	Daryl May Anacioco Sybel Madocdoc
Blockbuster Collection Center of the Year	Maharlika
Loneliest Collection Center of the Year	South Drive Drive Thru
Password of the Year	#mslisourgm
Small But Terrific of the Year	Olive Bete
Shy Ma-ngo of the Year	Janus Tandí Dominic Changpas
Task Force of the Year	BENECO Task Force
Fear of the Year	BENECO Corporatization
Office Based Employees of the Year	Sheena Rose Giacao Rommel Pagandiyán Rezalyn Apalla Benelita Linnipao Jun Paguli Eduardson Lumines Carmela Etong Jefferd Monang
LMC of the Year	Aspulan
Eyeballs of the Year	Jamie Rose Burcio Kimberly Baniqued
Athlete of the Year	Reagan Nabua
Resignations for Greener Pasture of the Year	Alexander Bernardez Jr. Joemar Viado Regan Nabua Sheldon Malaga Edward Bagni
Dividend of the Year	BEMCI
Codes of the Year	C8, 29 and B8
Joker of the Year	Reagan Acdong
Teambuilding Facilitators of the Year	Rodolfo de Guia Icelle Soriano
Secret of the Year	ISD Xerox Machine
Bonsai Hobbyist of the Year	GM MSL
Golfers of the Year	Chair Steve Cating GM MSL Sir AMB TF Member George Dumawing
Resort of the Year	Old Rock
Most Senior Citizen Employee of the Year	Rogelio Acebo (63 years old)
Youngest Employee of the Year	Ysmael Macaraeg (22 years old)
Surprise Event of the Year	The January 11, 2023 NEA Arrival
Over Under Employee of the Year	Ivory Paatan
Handsome of the Year	Jordan Ayawan
Leg Split of the Year	Lian Raschel Buen

UNVEILING OF MARKER. The family of the late GM Gerardo P. Verzosa, led by his wife Gail Verzosa and daughter Bianca, unveil the marker that officially named the South Drive office as Gerardo P. Verzosa Building last October 27, 2023.



South Drive office now called Gerardo Verzosa Building

The headquarters of BENECO at South Drive, Baguio City is now officially called as the Gerardo Verzosa Building. The Board of Directors passed on October 1, 2020 Resolution No. 2020-218 formally naming the building as Gerardo

Verzosa Building. On October 27, 2023, during the culmination of BENECO's 50th Anniversary, family members of GM Verzosa led employees and member consumer owners (MCOs) in unveiling the marker that summarized what

GM Verzosa has accomplished for BENECO. Gail Verzosa, Gerry's surviving wife, could not hide her tears when she unveiled the curtain of the marker. We reprint below what the marker said:

GERARDO P. VERZOSA (Jan. 24, 1956 – Sept. 16, 2020)

GM Gerry, as he is fondly called, epitomized the kind of grit and leadership needed to successfully steer an electric cooperative to success. His management caliber was bold and aggressive, and this motivated his team to work no end. BENECO, with GM Gerry on top, defied the adverse terrains of Baguio City and Benguet to bring electricity to the villages. As the years went by, electric poles, cables, transformers and bulbs started to dot the countryside, bringing smiles to the people and the communities.

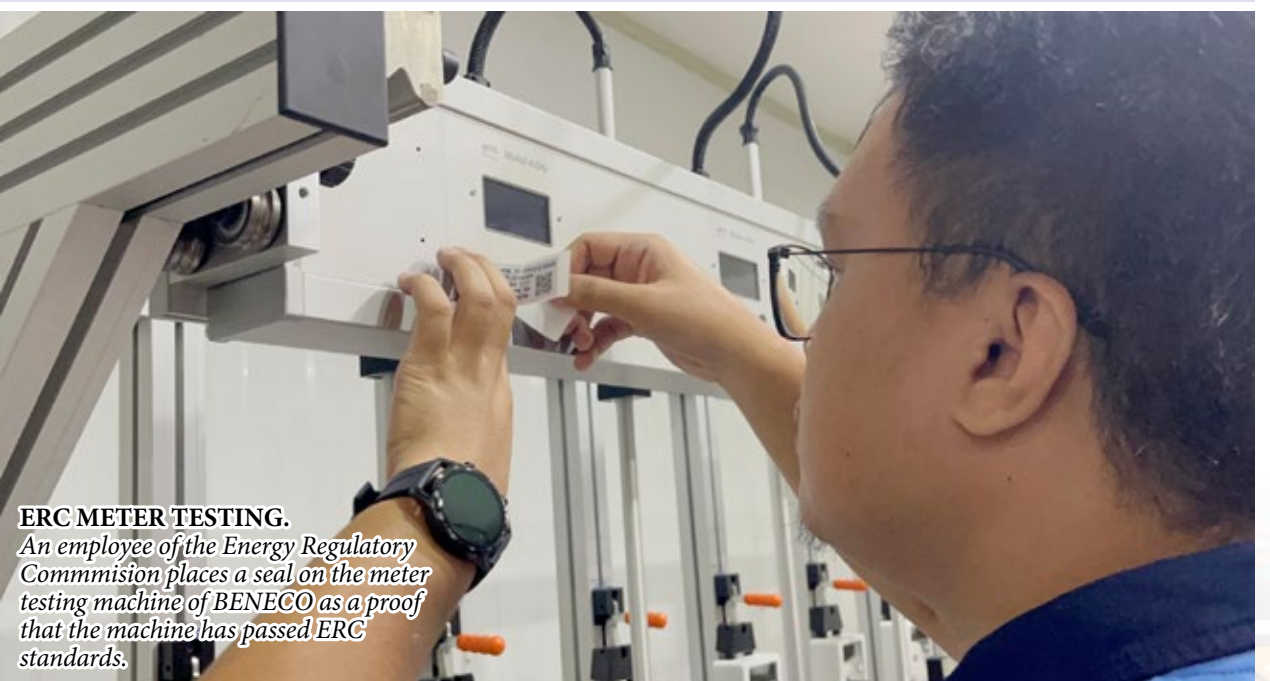
GM Gerry and the stuff he was made of hurdled them all. A native of Gattaran, Cagayan, Verzosa took his tasks to the hilt. He thought and worked outside the box and reasonably defied standards he believed stymied the growth of electric cooperatives.

A degree holder of business administration from the Ateneo de Manila University, GM Gerry first saw foot in BENECO as NEA's project supervisor in June, 1988, a post he held until he was named as the GM in April, 1991. From there, he braved the daunting task of rebuilding BENECO from the rubbles of the 1990 earthquake. Three decades later, BENECO was the toast and byword of the country's electric cooperatives. He also made sure that during his term, BENECO will be able to put up its first renewable energy project. The 3 MW mini hydro power plant in Buguias, Benguet was his brainchild. He retired on April 30, 2020.

This edifice is as sturdy as he is. He knew that a nice and good office would inspire the employees and elate consumers and stakeholders. The Board of Directors, in Resolution No. 2020-218 dated Oct. 1, 2020, said it all: "The edifice would not have come to being without the herculean effort of the late GM Gerardo Verzosa whose undying commitment to build an excellent building became one of the hallmarks of his tireless effort to continually improve the technical, financial and institutional services of the electric cooperative."

The groundbreaking was on August 1, 2015. The inauguration was held on May 27, 2016. This month's celebration of BENECO's 50th year anniversary will be unfair if no homage will be done to the man whose efforts brought BENECO to the helm. We owe him too this building. It is but fitting to officially name this headquarters as the GERARDO P. VERZOSA BUILDING. His legacy lives.

October 27, 2023.



ERC METER TESTING. An employee of the Energy Regulatory Commission places a seal on the meter testing machine of BENECO as a proof that the machine has passed ERC standards.