



# PHILRECA

PHILIPPINE RURAL ELECTRIC COOPERATIVES ASSOCIATION, INC.  
— The Philippines' Electric Cooperatives —

17 November 2023  
COMMS-2023-262

**HON. GUS S. TAMBUNTING**

*Chairperson*

House Committee on Legislative Franchises  
Batasan Hills, Quezon City

Dear *Hon. Tambunting*:

*Greetings of Peace from PHILRECA!*

We would like to respectfully submit our organization's **FULL SUPPORT to House Bill No. 8897 and House Bill No. 8947** both entitled "An Act Granting the First Catanduanes Electric Cooperative, Inc. a Franchise to Construct, Install, Establish, Operate, Own, Manage and Maintain Distribution Systems for the Conveyance of Electric Power to the End-Users in the Municipalities of Bagamanoc, Baras, Bato, Caramoran, Gigmoto, Pandan, Panganiban, San Andres, San Miguel, Viga and Virac, Island Province of Catanduanes."

First Catanduanes Electric Cooperative, Inc. or FICELCO is one of the first electric cooperatives that was organized in the country. On 06 June 1979, it was granted a franchise to provide an electric distribution system and operate in the municipalities of Bagamanoc, Bato, Baras, Caramoran, Gigmoto, Pandan, Panganiban, San Andres, San Miguel, Viga, and Virac in the province of Catanduanes. Its application for a franchise with the Congress in pursuant to Section 27 of the R.A. No. 9136, otherwise known as the Electric Power Industry Reform Act or EPIRA, is **VITAL AND NECESSARY** in order for FICELCO to continue its operation and services to the member-consumer-owners in Catanduanes.

Over the years, FICELCO was able to develop and usher critical and important changes in the operation of its cooperative. From being a "B" electric cooperative, FICELCO was able to attain and maintain its "AAA" category - the highest of which an electric cooperative can achieve per the National Electrification Administration's policy/guidelines on EC overall performance assessment which measures the coop's financial, institutional, and technical performance. It should also be noted that ECs who earn the "AAA" category must have complied with all the standards on system loss, reliability indices (SAIFI/SAIDI), collection efficiency, result of financial operations, payment to power suppliers, among others - all of which, FICELCO has met and complied with. FICELCO was also tagged as a Green electric cooperative in the 2nd quarter 2023 compliance report on the performance of electric cooperatives, the latest

***"United We Stand, We Stand United."***

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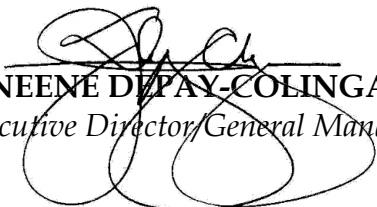
report conducted by NEA. All these prove that FICELCO has done its mandate and is continuing to do so to deliver cheap and reliable electricity to its member-consumer-owners.


With the franchise of FICELCO ending by 2029, it is now up to Congress to decide and grant its application for franchise; and being the national organization of electric cooperatives, we respectfully urge its approval. As enshrined in Section 2 of the Presidential Decree No. 269 as amended, *"Because of their non-profit nature, cooperative character and the heavy financial burdens that they must sustain to become effectively established and operationally viable, electric cooperatives, particularly, **SHALL BE GIVEN EVERY TENABLE SUPPORT AND ASSISTANCE** by the National Government, ITS INSTRUMENTALITIES and AGENCIES to the FULLEST EXTENT of which they are capable..."* Allowing FICELCO to continue in support of the State's national policy will not only enable FICELCO to exclusively operate its electric distribution system but also further EMPOWER the communities to which they serve. Electric Cooperatives, despite being non-stock and non-profit, SERVE FOR THE PEOPLE. It puts the member-consumer-owners first and foremost while ensuring prudent management of the business. Electric Cooperatives risk their lives and venture into far-flung and the remotest of areas to deliver electricity despite low return on investments because being partners of the government, they relentlessly pursue the noble mandate of electrifying the country and enriching the lives of the people and community.

As the national organization of the electric cooperatives, PHILRECA would like to extend its gratitude to the good Committee for approving House Bill No. 8897 and House Bill No. 8947. We look forward to its timely approval in the second and third or final approval with the Lower House.

Thank you and Power On!

Respectfully yours,

  
**JANEENE DIPAY-COLINGAN**  
*Executive Director/General Manager*

  
**JOSELITO P. YAP**  
*President*

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