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19 March 2007

HON. EDITA S. BUENO
Administrator
National Electrification Administration
Diliman, Quezon City

Registry Receipt No. <u>004719</u> Paranaque City Post Office March 20, 2007
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Dear Administrator Bueno:

Greetings!

This pertains to our letter of February 26, 2007 where in light of NEA's denial of Leyeco II's request for the approval of its Board Resolution No. 110,S 2006 "Resolution Approving the Appropriation of the Amount of PhP2,797,190.50 to Cover Cost of the Productivity Incentive Bonus for the Year 2005 of Leyeco II Officers and Regular Employees", we manifested that "we see a very strong and justifiable reason for NEA to act swiftly in the disposition of justice by **supporting** and **affirming** the Resolution terminating Atty. Jerry Gwen I. Conde.

As stated in the resolution, it found GM Conde, "to have deliberately disbursed the amount of P2,797,190.50 for the payment of the 2005 14th month pay/productivity incentive bonus, despite having personal knowledge that it was not approved by NEA which is an utter disregard and defiance of existing NEA policies and guidelines, and utter disrespect of the Leyeco II Board Resolution No. 110, series of 2006, and even going to the extent of deceiving the Secretary/Treasurer of Leyeco II, in signing the voucher and the check thereof with his personal assurance that the same is already approved when in fact it was not."

Further in the same letter, we also asked NEA, in the interest of justice, to direct the LEYECO II general manager, Atty. Jerry Gwen L. Conde, to return the amount of Two Million Seven Hundred Ninety-Seven One Hundred Ninety Pesos and Fifty Centavos (P2,797,190.50) to the financially-strapped LEYECO II within thirty (30) days from receipt of NEA order, and to forfeit all the benefits and entitlements due Mr. Gerry Gwen L. Conde, who incidentally is a lawyer by all means way expected to have a better understanding of this.

In relation, please allow us to cite two (2) foremost items in the *Revised Guidelines on Benefits, Allowances and Other Incentives to EC Officers and Employees* as turn-key points supporting our stand.

Item III which states, *“In case of any violation found after audit and ? or RE office investigation, the officers/employees concerned shall be required to refund immediately and in full the disallowed amount to the cooperative, without prejudice to the application of such other sanctions to all concerned as the pertinent laws and other NEA rules and regulations may require.”* and;

Item IV. (Responsibility and Accountability) which provides. *“The General Manager shall be accountable for the proper implementation of these guidelines. He shall likewise be held liable for the grant of any benefit and allowance over and above those provided here.”*

In view of these very clear provisions under the Revised Guidelines promulgated in 1997, may we kindly reiterate position that it has become imperative upon NEA, as expected of the role your good office conveys, to decisively and favorably perform the following:

1. to act swiftly in the disposition of justice by supporting and affirming the Leyeco II Board Resolution terminating Atty. Jerry Gwen L. Conde;
2. by directing the general manager, Atty. Jerry Gwen, the one liable for such violation, to return the amount of Two Million Seven Hundred Ninety-Seven One Hundred Ninety Pesos and Fifty Centavos (P2,797,190.50) to the financially-strapped LEYECO II within thirty (30) days from receipt of NEA order and lastly;
3. to forfeit all benefits and entitlements due to the general manager. Atty. Jerry Gwen Conde.

Atty. Conde’s violation of the *Revised Guidelines on Benefits, Allowance and Other Incentives to EC Officers and Employees* has further aggravated the deteriorating financial capability of LEYECO II and constituted malfeasance of grave abuse as I has not in anyway served the interests of the member-owner-consumers of Leyeco II which NEA vowed to protect.

Considering that NEA has the appointing power over the hiring of general managers based on the recommendation of the EC Board and by virtue of its power under Section 3 of Presidential Decree (P.D.) 1645 amending P.D. 269 which includes the setting of the GM’s salary and allowances, it shows without doubt that NEA has also the power to terminate the GM most especially in cases where the Board of Directors has already endorsed through a Board Resolution the termination of the coop’s GM.

Thus, it leaves NEA no other recourse and time to waste in immediately and favorably granting our request so that the member-owner-consumers of Leyeco II will be rightfully represented and aptly protected from this abuse of authority by the NEA appointed general manager.

Thank you very much as we look forward to NEA's swift action on the matter.

Very truly yours,

signed
PETE L. ILAGAN
President