

NASECORE

National Association of Electricity Consumers for Reforms

Leyeco II Chapter

208-F Real St., Brgy. 53, Tacloban City

June 22, 2011

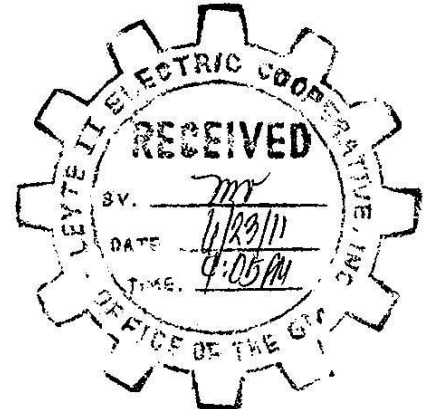
ATTY. JERRY GWEN CONDE, CPA

General Manager, LEYECO II, Inc.

Real St., Sagkahan, Tacloban City

ATTENTION: **THE BOARD OF DIRECTORS**

SUBJECT: **LOANS**



Dear Atty. Conde,

With its passage on June 26, 2001, Section 60 of the Electric Power Industry Reform Act (EPIRA) effectively condoned the debts of all electric cooperatives' loans with NEA with the assumption by the national government of its entire financial obligation pertaining to rural electrification.

However, our monthly bills show continued collection by LEYECO II of the amortization cost of these loans until 2004 when the decision on LEYECO II's application for its unbundling of rates (ERC Case No. 2001-932) was issued. The pertinent provision states:

"Pursuant to Republic Act 9136, otherwise known as the "Electric Power Industry Reform Act of 2001", all outstanding financial obligations of ECs to NEA and other government agencies as of June 26, 2001, incurred for the purpose of financing Rural Electrification Program, were assumed by PSALM under certain terms and conditions. On April 4, 2004, PSALM assumed NEA loans condoned amounting to P49,099,578, in a Certification it issued to the electric cooperative."

In this regard, may we please be furnished a statement/summary of collection of the amortization cost paid for by the consumer-members in their monthly electric bills from June 26, 2001, the date of which all outstanding obligations of ECs to NEA and other government agencies was condoned until April 4, 2004 when the Power Sector Assets and Liabilities Management (PSALM) Corp. officially assumed LEYECO II loans amounting to P49,099,578?

These collections by LEYECO II is part of the member-consumers' patronage capital contributions which they need to be informed of.

In the spirit of transparency we hope you will grant us our request the soonest possible time.

Very truly yours,



ERLINDA L. BUTALID
President, NASECORE Leyeco II Chapter

cc: Hon. Paquito Ochoa, Executive Secretary
Hon. Jose Rene D. Almendras, Secretary, Department of Energy
Hon. Zenaída C. Ducut, ERC Chairperson
Hon. Edita S. Bueno, NEA Administrator
Hon. Sergio Osmena III, Chair-Senate Committee on Energy
Hon. Henedina Abad, Chair-House Committee on Energy
Hon. Jose R. Ping-ay, Chair-House Committee on Cooperative development
Hon. Isidro Lico, Representative, Ating Koop Part list
Hon. Ponciano Payuyo, Representative, APEC Party List
Hon. Ferdinand Martin Romualdez, Representative 1st District Leyte
Hon. Florencio G. Noel, Representative, An Waray Party List
Hon. Jericho L. Petilla, Governor, Leyte
Hon. Ma. Mimieta S. Bagulaya, Vice-Governor, Leyte
Hon. Members of the Sangguniang Panlalawigan, Province of Leyte
Hon. Vincent Emnas, Leyte Provincial Administrator
Hon. Alfred S. Romualdez, Tacloban City Mayor
Hon. Arvin Antoni, Tacloban City Vice-Mayor
Hon. Members of the Sangguniang Panglunsod, Tacloban City
Hon. Remedios L. Petilla, Mayor Municipality of Palo
Hon. Members of the Sangguniang Bayan, Municipality of Palo
Hon. Charita M. Chan, Mayor Municipality of Babatngon
Hon. Members of the Sangguniang Bayan, Municipality of Babatngon
Pete Ilagan, Nasecore President
Member Consumers
Media
File