



National Association of Electricity Consumers for Reforms
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HON. EDITA S. BUENO
Administrator, National Electrification Administration
NIA Road, Government Center
Diliman, Quezon City

Dear Administrator Bueno,

Greetings!

This refers to the appointment of the Leyte II Electric Cooperative, Inc. (LEYECO II) General Manager Atty. Jerry Gwen Conde as concurrent General Manager of the Leyte III Electric Cooperative, Inc. (LEYECO III) for a period of one year effective 01 February 2010.

Reports have reached us of late that Atty. Jerry Gwen Conde has been moving and transferring LEYECO II equipments for utilization of LEYECO III for the improvement/upgrading of its distribution system. We believe these reports require immediate validation because, if determine to be true, these acts are highly irregular especially for a concurrent appointee.

The position of a General Manager of an electric cooperative under the National Electrification Administration is very strong under Section 3 of Presidential Decree (PD) 1645 amending PD 269 such that its powers can not be shall not be nullified, altered or diminished by any policy or resolution of the Board of Directors of the Cooperative concerned.

These reported moving of LEYECO II equipments for utilization by LEYECO III is not only highly irregular but also runs contrary to the Energy Regulatory Commission's regulation of electric cooperatives which considers very well the needs of every electric cooperative and that results in the granting of higher distribution rates and annual revenues.

If these reports are true, then the member-consumers of LEYECO II who provide all the funds to ensure its viable operations are deprived of the irregular use of these equipments which were purchased specifically for utilization of the LEYECO II for the benefit of its member-consumers and not of LEYECO III.

In this regard, may we request NEA to immediately conduct an audit of these LEYECO II equipments to determine the veracity of these reports so that, if the audit confirms the reports, NEA can immediately stop such irregular utilization of LEYECO II equipments and penalize those responsible for such irregularity?

This request is based on the powers of NEA under PD 1645 amending PD 269 and this is very important to the member-consumers of LEYECO II who need to be protected.

Should NEA ignore this request, we will take it to mean that it is protecting the General Manager that it recently recognized with the award of being the "BEST GENERAL MANAGER" of an electric cooperative. And we hope NEA will not resort to its usual letter that will ask the General Manager for appropriate action as we will also take it to mean that it is giving the LEYECO II GM an undue advantage against the interests of the more than fifty (50) thousand LEYECO II member-consumers.

Thank you.

Very truly yours,


PETE L. ILAGAN
President

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