



Office of the Sangguniang Panlalawigan

EXCERPT FROM THE MINUTES OF THE 6th REGULAR SESSION OF THE 11th SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA ON AUGUST 16, 2022.

PRESENT:

DELFINITO EMMANUEL L. ALBANO	Member (1 st District) & Presiding Officer Protempore
EMMANUEL JOSELITO B. AÑES	Member (1 st District) & Floor Leader Protempore
ED CHRISTIAN S. GO	Member (2 nd District)
EDGAR R. CAPUCHINO	Member (2 nd District)
RAMON JUAN N. REYES, JR.	Member (3 rd District)
CLIFFORD R. RASPADO	Member (4 th District)
VICTOR G. DY	Member (4 th District)
MANUEL FAUSTINO U. DY	Member (5 th District)
EDWARD S. ISIDRO	Member (5 th District)
MARCO PAOLO A. MERIS	Member (6 th District)
AMADOR A. GAFFUD, JR.	Member (6 th District)
ANTONIO S. HUI	Member, PCL Federation President
DANTE G. HALAMAN	Member, LnB Federation President
DAX PAOLO C. BINAG	Member, SK Federation President
ADRIAN PHILIP S. BAYSAC	Member, Agricultural /Industrial Workers Labor Sector Representative
LOURDES S. PANGANIBAN	Member, Women's Sectoral Representative
MARGARETTE U. CHIN	Member, Indigenous Cultural Communities Sector Representative

O.B. :

FAUSTINO G. DY III	Vice Governor
MARY GRACE D. ARREOLA	Member (3 rd District)

RESOLUTION NO. 2022-31-08
Series of 2022

A RESOLUTION REQUESTING THE NATIONAL ELECTRIFICATION ADMINISTRATION (NEA) TO TAKE OVER THE MANAGEMENT AND OPERATION OF ISABELA 1 ELECTRIC COOPERATIVE INC. (ISELCO 1) AND ISABELA 2 ELECTRIC COOPERATIVE (ISELCO 2) UNTIL THE NEW SET OF OFFICERS AND BOARD OF DIRECTORS ARE APPOINTED AND ELECTED RESPECTIVELY

Sponsor: **HON. EDWARD S. ISIDRO**
Chairperson, Committee on Power, Energy & Franchising

WHEREAS, due to numerous requests from dissatisfied member-consumer owners to demand ISELCO 1 and ISELCO 2 for the conduct of the Annual General Membership Assembly and Regular District Elections, this Honorable Body issued Resolution No. 2021-036-06, encouraging ISELCO 1 and ISELCO 2 to proceed with the conduct of AGMA and District Elections;

WHEREAS, despite this initiative from the Honorable Body, the Board of Directors and Management of ISELCO 1 failed to comply with the rules in conducting the

Nagkaisa para sa Isabela

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Annual General Membership Assembly and refuse to conduct the District Election of their BODs while the AGMA of ISELCO 2 did not meet the quorum required and no election of BODs were conducted;

WHEREAS, the term of office of the Board of Directors of ISELCO 1 representing District 1 (Angadanan-San Guillermo, II (Ramon), VIII (Santiago City), IX (Jones-San Agustin), X (Cabatuan) and XI (Cauayan City) had already expired last September 2021 while the offices of the Board of Directors representing District VII (Cordon) and XII (Reina Mercedes) have been vacant for a long time;

WHEREAS, most of the members of Board of Directors of ISELCO 2's term of office already expired and are no longer qualified considering that they are over age;

WHEREAS, the business and affairs of electric cooperative shall be the responsibility of the members of the Board of Directors which formulate and adopt policies and plans, promulgate rules and regulations for the management, operation and conduct of the business of the Cooperative, and exercise all of the powers of the Cooperative, except such are provided by law, the Articles of Incorporation or By Laws conferred upon or reserved by the National Electrification Administration;

WHEREAS, considering the importance of role of Board of Directors in formulating policies relative to the conduct or service operation of the electric cooperative, there is a need to elect new BODs taking into consideration that their term had already expired and are only in holdover capacity;

WHEREAS, the General Manager of ISELCO 1, Engr. Virgilio L. Montano, has retired on January 05, 2022 upon reaching the age of sixty-five (65) years of age thereby leaving the position of General Manager as vacant;

WHEREAS, the Board of Directors of ISELCO 1 refused to declare the position of General Manager as vacant despite a memorandum from NEA ordering them to declare it vacant and to convene the selection board;

WHEREAS, due to recent incident involving the killing of the internal auditor manager of ISELCO 2, the member-consumer owners expressed their loss of trust and confidence on the management and BODs of ISELCO 2;

WHEREAS, on August 5, 2022, the General Manager of ISELCO 2, Mr. David Solomon Siquian resigned from his position;

WHEREAS, the position of General Manager in every electric cooperative plays an important role in formulating policies relative to its conduct or service operation in order to promote the general welfare and interest of the member-consumer-owners;

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WHEREAS, this Honorable Body are being bombarded with various complaints from member-consumer owners relative to the poor services rendered by ISELCO 1 and ISELCO 2 like frequent occurrence of power outages, high cost of electricity charges, imposition of service charges without the approval of Energy Regulatory Commission (ERC), and non-compliance with the NEA's order to refund net over-recovery from MCOs;

WHEREAS, there is lack of transparency with the management of ISELCO 1 for refusal to submit financial documents to the Honorable Body and to MCOs;

WHEREAS, additionally, on the part of ISELCO 2, there is a net loss of more or less twenty-eight million pesos (P28,000,000.00) for 2021 operation and their share capital of one hundred sixty-five million fifty-one thousand and six hundred seventy-three pesos (P165,051,673.00) is now down to ten million eight hundred fifty-seven thousand and six hundred thirty-two pesos (P10,857,632);

WHEREAS, there is an unsound management on the part of ISELCO 1 and ISELCO 2 which cast doubt as to capability of the BODs and its Officers to spearhead the operation of the electric cooperative;

WHEREAS, under Section 6 of R.A. 10531, the National Electrification Administration, pursuant to its supervisory powers over electric cooperatives, may issue orders, rules and regulations, motu proprio or upon petition of third parties, to conduct investigations, referenda or other similar actions on all matter affecting electric cooperatives;

WHEREAS, this Honorable Body deems it proper to uphold, protect and promote the welfare of our constituent member consumers which is worthy of favorable consideration;

WHEREFORE, premises considered, upon motion of Honorable Edward S. Isidro, duly approved and seconded in a Session duly assembled, it was –


RESOLVED, AS IT HEREBY RESOLVES, TO PASS A RESOLUTION REQUESTING THE NATIONAL ELECTRIFICATION ADMINISTRATION (NEA) TO TAKE OVER THE MANAGEMENT AND OPERATION OF ISABELA 1 ELECTRIC COOPERATIVE INC. (ISELCO 1) AND ISABELA 2 ELECTRIC COOPERATIVE (ISELCO 2) UNTIL THE NEW SET OF OFFICERS AND BOARD OF DIRECTORS ARE APPOINTED AND ELECTED RESPECTIVELY

RESOLVED FINALLY, RESOLVED FINALLY, that a copy of this Resolution be furnished to: National Electrification Administration (NEA) Administrator Emmanuel P. Juaneza for information and appropriate action.

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Approved and Adopted, August 16, 2022.

**I HEREBY CERTIFY TO THE CORRECTNESS
of the foregoing Resolution:**


ATTY. FRANCIS JAMES E. MEER
Secretary to the Sangguniang Panlalawigan

ATTESTED/ APPROVED:


DELFINITO EMMANUEL L. ALBANO
Member(1st District)